

Hertz Properties Group Limited

הערכות שווי מהותיות מאוד

ליום 31 בדצמבר 2017



APPRAISAL REPORT

Gateway Center Office Complex
Four Class A Office Buildings and Parking Garage
420 Fort Duquesne Boulevard
603 Stanwix Street
401 Liberty Avenue
444 Liberty Avenue
Pittsburgh, Allegheny County, Pennsylvania 15222

REQUESTED BY

Mr. Jim Kasim
Hertz Properties Group, Limited
21860 Burbank Boulevard, Suite 300 South
Woodland Hills, California 91367

PREPARED BY

BBG, Inc.
112 Madison Avenue, 11th Floor
New York, NY 10016

EFFECTIVE DATE

As Is
December 31, 2017



February 28, 2018

Mr. Jim Kasim
Hertz Properties Group, Limited
21860 Burbank Boulevard, Suite 300 South
Woodland Hills, California 91367

Re: Appraisal File No. 0118001098
Gateway Center Office Complex
Four Class A Office Buildings and Parking Garage
420 Fort Duquesne Boulevard
603 Stanwix Street
401 Liberty Avenue
444 Liberty Avenue
Pittsburgh, Allegheny County, Pennsylvania 15222

Dear Mr. Kasim:

In accordance with your request, the undersigned have prepared an appraisal of the above-captioned property for the purpose of estimating the fair value of the subject property's leased fee estate as of December 31, 2017 in accordance with IFRS-13.

We have appraised the above referenced property, the conclusions of which are set forth in the attached appraisal report. This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of USPAP and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. In addition, this appraisal has been prepared in compliance with IFRS 13 (International Financial Reporting Standards 13-fair value measurement). The depth of analysis discussed in this report is specific to the needs of the client and for the intended use stated in the report.

This appraisal is to be used to aid the Company in the preparation of Financial Statements and related information to be published in the Tel Aviv Stock Exchange. We confirm that we have given our full consent to the inclusion of the valuation its entirety within the Financial Statements and related information to be published by the Company for the Tel Aviv Stock exchange and for the Israeli Security Authority, in March 2018. Hertz Properties Group, Limited is also an intended user of this report.

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The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property. The facility in aggregate contains a total net rentable office and retail area of approximately 1,469,936 square feet. In addition, the property contains two underground parking garages with capacities of 730 and 222 parking spaces. The property is currently 84.40% leased and occupied. Most of the tenants have conference facilities, and there is leasable tenant storage on the building lower levels. The buildings are all interconnected via a network of underground access tunnels.

The rentable area and occupancy of each subject office building is summarized in the following table:

Building Address		Rentable Area	Vacant	Occupied	Occ. %
One	420 Fort Duquesne Blvd	353,684	50,360	303,324	85.76%
Two	603 Stanwix Street	320,429	53,092	267,337	83.43%
Three	401 Liberty Avenue	370,175	69,783	300,392	81.15%
Four	444 Liberty Avenue	425,648	56,111	369,537	86.82%
Total		1,469,936	229,346	1,240,590	84.40%

Buildings One, Two and Three are situated on a 5.60-acre tax parcel comprising the eastern blockfront of Liberty Avenue, Stanwix Street and Fort Duquesne Boulevard, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 2 as parcel number 0001-C-00167-0000-01. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

Building Four is situated on a 1.25-acre tax parcel located on the southwest corner of Liberty Avenue and Stanwix Street, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 1 as parcel number 0001-C-00167-0000-00. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

The underground parking garage structure is situated on a 1.25-acre tax parcel located on the south side of Liberty Avenue, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 1 as parcel number 0001-C-00200-0000-00. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

Mr. Jim Kasim
Page 3
February 28, 2018

The highest and best use of the subject property as improved is considered to be its continued use as a multi-tenanted office complex. This conclusion is based, in part, on the nature of the existing improvements, the historical use of the site, current zoning restrictions and the continued demand for such uses in the area.

Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformance with the in accordance with appropriate Federal regulatory authority guidelines specifically the appraisal requirements outlined in Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) as revised and amended and the Interagency Appraisal and Evaluation Guidelines.

All of the approaches to value have been considered in this report; however, the Income Capitalization and Sales Comparison Approaches have been employed to derive an estimate of the fair value. The Cost Approach was not considered appropriate to the particular appraisal problem at hand for reasons cited within the report. The reported value represents cash or its equivalent value and assumes a marketing time of one year or less.

Based on our inspection of the subject property and after carefully considering all available information concerning the subject and all apparent factors affecting value, it is our opinion that the fair value of the leased fee interest of the subject property, as of December 31, 2017, is:

TWO HUNDRED TWENTY MILLION DOLLARS
\$220,000,000

The opinion of value expressed herein is subject to the certification, contingent and limiting conditions, assumptions and all other information contained in the following report.

Thank you for the opportunity to serve you.

Sincerely,



Philip Ginsberg
Senior Appraiser
(212)682-2969
PGinsberg@bbgres.com



Joel Leitner, MAI, CRE
Managing Director
PA State Certified Appraiser GA003488

PHOTOGRAPH OF THE SUBJECT PROPERTY



SUMMARY OF FACTS AND CONCLUSIONS

Subject Property:	Gateway Center Office Complex Four Class A Office Buildings and Parking Garage 420 Fort Duquesne Boulevard 603 Stanwix Street 401 Liberty Avenue 444 Liberty Avenue Pittsburgh, Allegheny County, Pennsylvania 15222
Location:	Buildings One, Two and Three are situated on a 5.60-acre tax parcel comprising the eastern blockfront of Liberty Avenue, Stanwix Street and Fort Duquesne Boulevard. Building Four is situated on a 1.25-acre tax parcel located on the southwest corner of Liberty Avenue and Stanwix Street. The underground parking garage structure is situated on a 1.25-acre tax parcel located on the south side of Liberty Avenue. All subject properties are located in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania.
Building Description:	The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property. The facility in aggregate contains a total net rentable office and retail area of approximately 1,469,936 square feet. In addition, the property contains two underground parking garages with capacities of 730 and 222 parking spaces. The property is currently 84.40% leased and occupied. Most of the tenants have conference facilities, and there is leasable tenant storage on the building lower levels. The buildings are all interconnected via a network of underground access tunnels.
Block and Lot:	Parcel Numbers 0001-C-00167-0000-01, 0001-C-00167-0000-00 and 0001-C-0200-0000-00
Total Site Area:	8.10 acres / 353,273 square feet
Zoning:	GT-D; Golden Triangle Zone D – City of Pittsburgh
Subject Leasable Area:	1,469,936 square feet
Condition:	Good
Census Tract:	201.00, 201.00 / 1 and 201.00 / 2

Highest And Best Use: As Vacant – office and retail development.

As Improved – continued office and retail use.

Flood Zone: The property is located within Zone X, other flood areas, which is outside a designated flood hazard area (500 years) according to Community Flood Panel 42003C0334H, dated September 26, 2014. Other flood areas include areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot with drainage areas less than 1 square mile, and areas protected by levees from 1% annual chance flood.

Marketing Time: Within one year

Exposure Time: Within one year

Property Rights Appraised: Leased Fee Interest

Effective Date OF Appraisal: December 31, 2017

Date of Inspection: August 1, 2017

FAIR VALUE ESTIMATE:	Income Capitalization Approach	\$220,000,000
	Sales Comparison Approach	\$220,500,000
	Cost Approach	Not Utilized
	Final Fair Value Conclusion	\$220,000,000

TABLE OF CONTENTS

INTRODUCTION	1
IDENTIFICATION OF THE SUBJECT PROPERTY	1
FUNCTION OF THE APPRAISAL/INTENDED USER.....	1
PROPERTY RIGHTS APPRAISED	1
EFFECTIVE DATE	2
SUBJECT PROPERTY HISTORY	2
DEFINITION OF REAL ESTATE-RELATED FINANCIAL TRANSACTION.....	3
DEFINITION OF EXPOSURE TIME	3
ESTIMATE OF REASONABLE MARKETING TIME.....	3
LIMITING CONDITIONS AND SPECIAL ASSUMPTIONS	3
EXTRAORDINARY ASSUMPTIONS.....	4
HYPOTHETICAL CONDITIONS	4
SOURCES OF INFORMATION	4
SCOPE OF THE APPRAISAL	4
COMPETENCY.....	5
CURRENT ECONOMIC CONDITIONS	6
AREA ECONOMIC ANALYSIS – PITTSBURGH AREA.....	9
ALLEGHENY COUNTY	18
NEIGHBORHOOD DESCRIPTION – CITY OF PITTSBURGH	24
PITTSBURGH OFFICE MARKET OVERVIEW	32
SUBMARKET ANALYSIS	41
PITTSBURGH RETAIL MARKET OVERVIEW.....	56
ZONING SUMMARY.....	60
ASSESSED VALUE AND REAL ESTATE TAXES	65
SITE ANALYSIS	68
BUILDING DESCRIPTION	120
HIGHEST AND BEST USE.....	130
APPRAISAL VALUATION PROCESS.....	134
INCOME CAPITALIZATION APPROACH	135
OPERATING EXPENSES.....	154
PROJECTED OPERATING EXPENSES	155
DISCOUNT RATE	161
SUMMARY OF DISCOUNTED CASH FLOW ASSUMPTIONS	164
DIRECT CAPITALIZATION.....	169
THE SALES COMPARISON APPROACH	174
COMPARABLE SALES ADJUSTMENT GRID	186

THE COST APPROACH.....	188
RECONCILIATION AND FINAL VALUE ESTIMATE	189
ADDENDUM	190
FLOOD PLAIN MAP	191
HISTORICAL VALUES.....	192
STRUCTURAL VACANCY SCHEDULE	193
SENSITIVITY ANALYSIS	194
FINANCIAL INFORMATION	195
CONTINGENT AND LIMITING CONDITIONS.....	196
CERTIFICATION	200
QUALIFICATIONS	201
LICENSE	203

INTRODUCTION

IDENTIFICATION OF THE SUBJECT PROPERTY

Buildings One, Two and Three are situated on a 5.60-acre tax parcel comprising the eastern blockfront of Liberty Avenue, Stanwix Street and Fort Duquesne Boulevard, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 2 as parcel number 0001-C-00167-0000-01. The property is within a GT-D; Golden Triangle, Zone D zoning district.

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The underground parking garage structure is situated on a 1.25-acre tax parcel located on the south side of Liberty Avenue, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 1 as parcel number 0001-C-00200-0000-00. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

FUNCTION OF THE APPRAISAL/INTENDED USER

The type and definition of value sought in the appraisal of the subject was an “as is” Fair Value opinion for the leased fee interest in the property as of December 31, 2017, subject to the general underlying assumptions and limiting conditions cited herein, and in compliance with IFRS 13 (International Financial Reporting Standards 13-fair value measurement). According to the International Financial Reporting Standard 13, Fair Value is defined as: “The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”

This appraisal is to be used to aid the Company in the preparation of Financial Statements and related information to be published in the Tel Aviv Stock Exchange. We confirm that we have given our full consent to the inclusion of the valuation its entirety within the Financial Statements and related information to be published by the Company for the Tel Aviv Stock exchange and for the Israeli Security Authority, in March 2018. Hertz Properties Group, Limited is also an intended user of this report.

PROPERTY RIGHTS APPRAISED

The property is encumbered by leases and therefore the property rights to be appraised are the leased fee interest. A leased fee interest is defined as:

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

EFFECTIVE DATE¹

The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. The effective “as is” date is December 31, 2017. The property was inspected on August 1, 2017 by Philip Ginsberg.

SUBJECT PROPERTY HISTORY

According to public records, the current owner of the subject property is Hertz Gateway Center LP. Hertz acquired the property in December 2004, which was the last recorded transfer of ownership. The total consideration paid was \$55,000,000, which included the parking garage and an adjacent hotel property which has since been diverted from the overall property. To the best of our knowledge, the property is not currently listed or marketed for sale, nor are we aware of any outstanding offers to purchase.

DEFINITION OF FAIR VALUE

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). That definition of fair value emphasizes that fair value is a market-based measurement, not an entity-specific measurement.

When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. As a result, an entity’s intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

The IFRS explains that a fair value measurement requires an entity to determine the following:

- (a) the particular asset or liability being measured;
- (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis;
- (c) the market in which an orderly transaction would take place for the asset or liability; and
- (d) the appropriate valuation technique(s) to use when measuring fair value. The valuation technique(s) used should maximize the use of relevant observable inputs and minimize unobservable inputs. Those inputs should be consistent with the inputs a market participant would use when pricing the asset or liability.

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. “effective date.” (Chicago: Appraisal Institute, 2015). CD-ROM

DEFINITION OF REAL ESTATE-RELATED FINANCIAL TRANSACTION²

Any transaction involving:

1. The sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof; or
2. The refinancing of real property or interests in real property; or
3. The use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

DEFINITION OF EXPOSURE TIME³

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at fair value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort.

It is our opinion that a normal exposure time for the subject property is 12 months. This conclusion is predicated on interviews with brokers and other real estate industry sources and on information obtained in the verification process. The value reported herein presumes such an exposure time.

ESTIMATE OF REASONABLE MARKETING TIME

Given the subject's location and the marketing times for similar properties in the area, we estimate the marketing time for the subject to be within one year. According to the PriceWaterhouseCoopers Korpacz survey for the Fourth Quarter 2017, marketing time for central business district office properties nationally have ranged between 2 and 18 months, with an average of 6.8 months, which is similar to 6.8 months from the prior quarter, and above 6.4 months from one year ago.

LIMITING CONDITIONS AND SPECIAL ASSUMPTIONS

Information, estimates and opinions furnished to the appraiser and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraiser.

² 12 U.S.C. 3350(5) (FIRREA section 1121(5))

³ Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed., s.v. "exposure time." (Chicago: Appraisal Institute, 2015). CD-ROM

Extraordinary Assumptions

An extraordinary assumption is defined by the Uniform Standards of Professional Appraisal Practice as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.” In the development of our opinions of value, we have applied the following Extraordinary Assumption: **None**.

Hypothetical Conditions

According to The Dictionary of Real Estate Appraisal (6th Edition), a Hypothetical Condition is "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." In the development of our opinions of value, we have applied the following Hypothetical Condition: **None**.

SOURCES OF INFORMATION

Information for the preparation of the report was garnered from various sources including the following: BBG, Inc. appraiser files, CoStar Property Services, Inc., Nielsen Segmentation Solutions, Moody’s, REIS Services and RealQuest service, as well as Allegheny County municipal records.

SCOPE OF THE APPRAISAL

BBG, Inc. has been retained by Hertz Properties Group, Limited to prepare a market valuation of the subject property. Within the course of this assignment, the following analyses were prepared:

1. Analyzed various population, labor, and economic growth statistics, development patterns, and recent real estate activity and competition and related these factors to their impact on the Allegheny County and surrounding Western Pennsylvania region commercial markets;
2. Evaluated the competitive position of the subject property in terms of its location, economic composition, development patterns, recent real estate activity, and competition within the subject's market;
3. Inspected the property;
4. Determined the highest and best use of the subject property based on an analysis of all relevant factors;
5. Determined the 2017/2018 annual income and forecasted operating expenses. The purpose of this analysis is to derive a fair value for the subject property based on its income potential;

6. Researched and ascertained improved comparable sales from various sources including CoStar Property Services and our work files and further confirmed this data with parties involved in the transactions in deriving and supporting a fair value estimate. The purpose of this analysis is to derive a fair value for the subject property based on recent sales that are considered competitive;
7. Estimated the fair value of the subject property's leased fee interest, as of the date of value, December 31, 2017.

COMPETENCY

We have specific knowledge of appraisal methods and practices to complete the assignment competently and have extensive experience in appraising similar properties.

CURRENT ECONOMIC CONDITIONS

At a time when one might have expected the New York City economy to stop growing due to a shortage of space and workers, it appears to be growing faster. According to household-based data from the U.S. Bureau of Labor Statistics (BLS), which record the employment status of those living in the city, including the self-employed and those who commute out, the number of employed residents of New York City increased by 101,760 (2.6%) in the year to August 2017, but the local labor force increased by 88,730 (2.1%).

With crowding increasing and housing costs rising, the labor force had increased by just 18,730 over 24 months from August 2014 to August 2016, but it appears workers are somehow moving to New York City in large numbers once again. From August 2007 to August 2017, New York City added 371,800 workers and 360,250 employed residents, gains of 9.6% and 9.8%, respectively. Meanwhile, Moody's Economy.com reports the city's total population increased by just 37,140 (0.4%) in the year to the third quarter of 2017, and the number of households increased by 19,810 (0.6%). Household average income was up 2.1% from a year earlier.

Recently released American Community Survey (ACS) data from the U.S. Census Bureau provide a longer-term perspective on the economic characteristics of NYC residents. From 2006 to 2016, according to this source, the number of city residents age 16 or more increased by 435,320 (6.7%); but the number in the civilian labor force increased by 387,400 (9.6%), and the number employed rose by 401,440 (10.8%). The number of workers commuting by public transportation increased by 318,245 (16.3%), with 40,135 (11.3%) more walking to work and 31,860 (22.4%) more working at home—but just 27,105 (3.2%) more were driving alone, offset by fewer people carpooling. The additional jobs are at the high and low end, with an increase of 322,630 (23.8%) in city residents working in management, business, science, and arts occupations and 122,910 (15.0%) working in service occupations. The median work earnings of all workers increased 0.2% after adjustment for inflation, to \$36,871, but the median work earnings of males working full-time year-round increased 3.9% to \$51,487, and the median work earnings of females working full-time year round increased 10.1%, to \$50,234. The mean NYC household work earnings rose to \$101,177 in total in 2016, up 10.7% from a decade earlier after adjustment for inflation. This includes roommates, as high rents cause people to squeeze into housing units. Median household income for all households rose 6.4% to \$58,856, and the city's poverty rate fell from 19.2% to 18.9%.

Current Employment Statistics (CES) data from the BLS on the number of people holding wage and salary jobs in New York City (including those who commute in) show an increase of 90,800 (2.1%) in the year to August 2017, including a gain of 90,300 (2.4%) for the private sector, about the same as in the previous 12 months. CES data by sector for the office-based segments were mixed in the year to August 2017. The Finance and Insurance sector added 2,600 jobs (0.8%) in the year to August, including an increase of 1,500 (0.8%) in the high-paid Securities, Commodity Contracts, and Other Financial Investments industry. The Professional and Business Services sector added 25,100 jobs (3.4%), but a key industry in this sector in the city's recent boom, Computer Systems Design and Related Services, added just 100 jobs (0.1%). The Information sector lost 5,600 jobs (2.8%), including a decrease of 1,700 (3.1%) in the Motion Picture and Sound Recording industry. The city's sizable and largely government-funded Health Care and

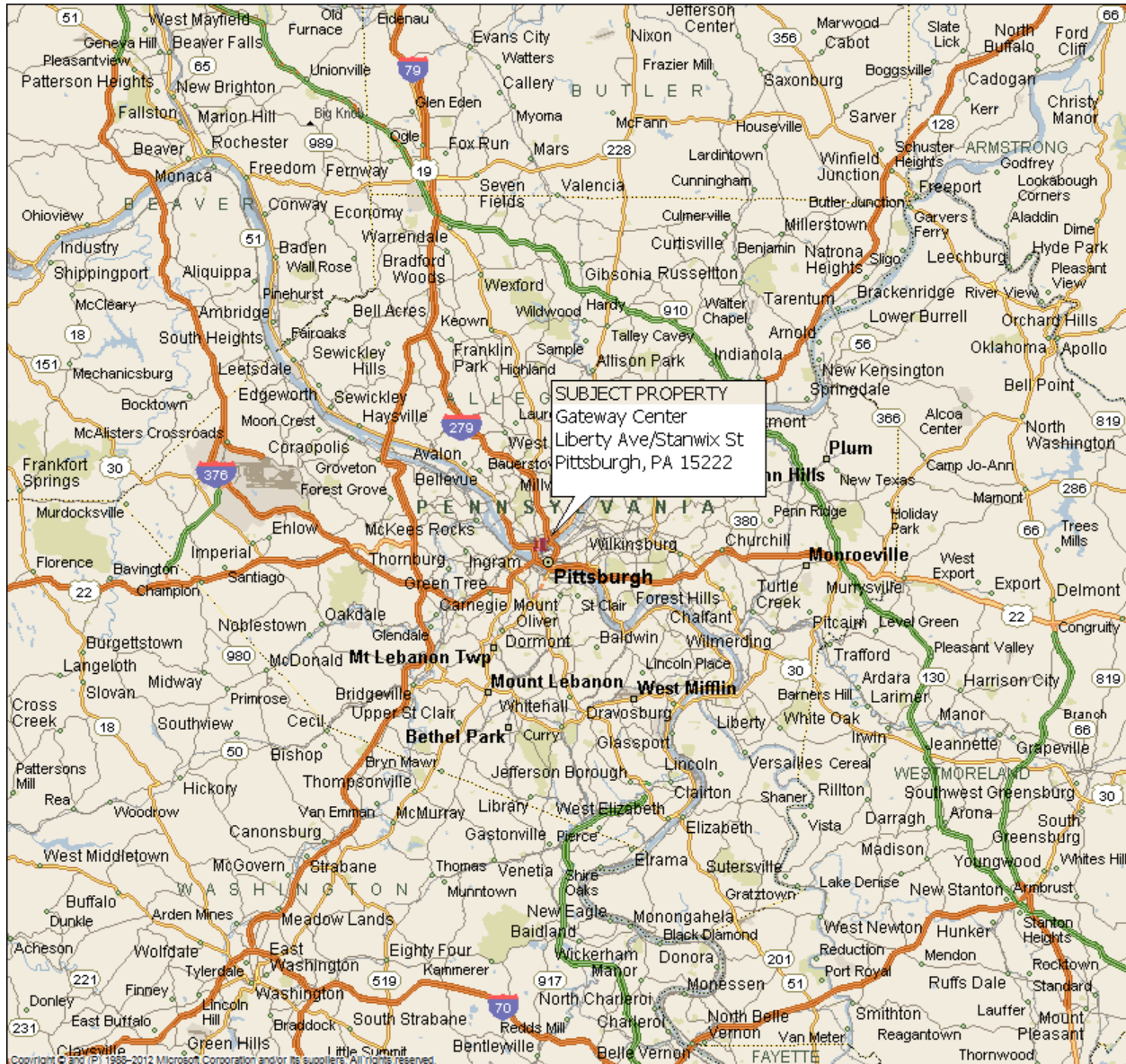
Social Assistance sector added 24,700 jobs (3.6%) in the year to August 2017, due to soaring employment in the Home Health Care industry (up 14,700 or 11.0%). The Colleges and Universities industry added 5,900 jobs (4.5%). The Arts, Entertainment, and Recreation sector was up 3,400 jobs (4.0%).

The local economy is also growing as the sectors cited above bring more money into the city. The Accommodation and Food Services sector added 13,000 jobs (3.7%), with Construction and related sectors up 5,200 (3.5%), but Retail Trade lost 3,200 jobs (0.9%) despite a gain of 1,000 (1.3%) in the Food and Beverage Store industry.

OUTLOOK

Moody's Economy.com predicts population growth will remain limited to about 40,000 (0.5%) per year going forward, but the number of households is forecast to rise faster as moderating housing costs allow more people to move out on their own. The number of households is anticipated to rise 146,600 over five years. But employment growth is projected to slow to just 40,420 (0.9%) in 2018 and stall out entirely in 2020.

REGIONAL AREA MAP



AREA ECONOMIC ANALYSIS – PITTSBURGH AREA

INTRODUCTION

Pittsburgh is a city located in the U.S. state of Pennsylvania, near the confluence of the Allegheny, Monongahela, and Ohio rivers. The Pittsburgh metropolitan area, also called Greater Pittsburgh, Southwestern Pennsylvania or the Pittsburgh Tri-State, is the largest population center in both the Ohio River Valley and Appalachia. The metropolitan area consists of the City of Pittsburgh (second largest) in the Commonwealth of Pennsylvania and surrounding counties. By many definitions the area extends into the U.S. states of West Virginia and Ohio. The larger "tri-state" region is defined by the U.S. Census as the combined statistical area (CSA), while definitions of the metropolitan statistical area (MSA) are within Pennsylvania. Pittsburgh is known as both "the Steel City" for its more than 300 steel-related businesses, as well as "the City of Bridges" for its 446 bridges.

Aside from steel, Pittsburgh has led in aluminum, glass, shipbuilding, petroleum, foods, sports, transportation, computing, autos, and electronics. For much of the 20th century, Pittsburgh was behind only New York and Chicago in corporate headquarters employment, second to New York in bank assets and with the most U.S. stockholders per capita. America's 1980s deindustrialization laid off area blue-collar workers and thousands of downtown white-collar workers when the longtime Pittsburgh-based world headquarters of Gulf Oil, Sunbeam, Rockwell and Westinghouse moved. This heritage left the area with renowned museums, medical centers, parks, research centers, libraries, a diverse cultural district and the most bars per capita in the U.S. In 2015, Pittsburgh was named on a list of the "eleven most livable cities in the world." The City of Pittsburgh is headquarters to major global financial institutions including PNC Financial Services (the nation's fifth-largest bank), Federated Investors and the regional headquarters of BNY Mellon. The region is also the 21st largest port in the United States.

LOCATION AND GEOGRAPHY

Pittsburgh is on the Allegheny Plateau, within the ecoregion of the Western Allegheny Plateau. The Downtown area (also known as the Golden Triangle) sits where the Allegheny River from the northeast and Monongahela River from the southeast form the Ohio River. The actual convergence is in Point State Park and referred to as "the Point." The city extends east to include the Oakland and Shadyside sections, which are home to the University of Pittsburgh, Carnegie Mellon University, Chatham University, Carnegie Museum and Library, and many other educational, medical, and cultural institutions. The southern, western and northern areas of the city are primarily residential. Many Pittsburgh neighborhoods are steeply sloped with two-lane roads. More than a quarter of neighborhood names make reference to "hills," "heights," or similar features. The steps of Pittsburgh comprise some 712 sets of outdoor public stairways with 44,645 treads and 24,090 vertical feet. The Pittsburgh MSA has a land area of 5,343 square miles.

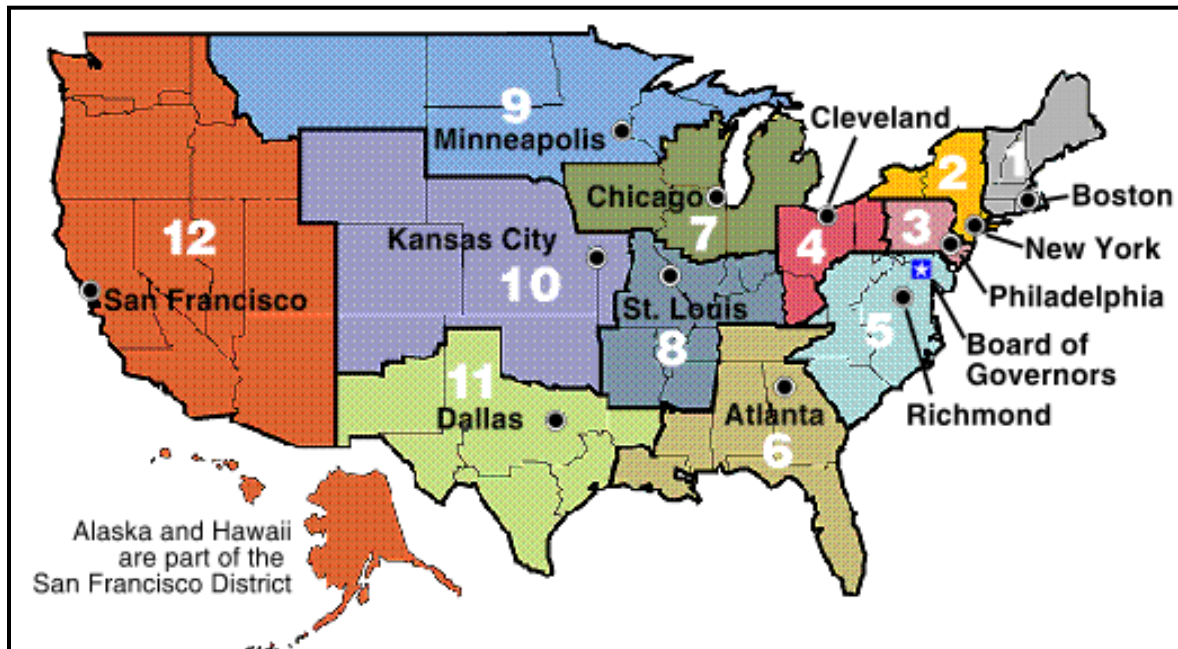
POPULATION

The MSA had a 2016 population of 2,342,299, while the CSA had a 2016 population of 2,635,228, which were both decreases from the prior year. Pittsburgh is part of the Great Lakes Megalopolis containing an estimated 54 million people, while many residents also consider themselves part of

the Mid-Atlantic coastal region of Virginia to New York. It is classified as Northeast by the U.S. Census with the West Virginia and Ohio components of the CSA being classified as South and Mid-west respectively.

Year	MSA Population	CSA Population
1900	1,303,771 -	-
1910	1,779,718 36.51%	-
1920	2,100,931 18.05%	-
1930	2,381,589 13.36%	-
1940	2,452,232 2.97%	-
1950	2,581,297 5.26%	-
1960	2,768,938 7.27%	-
1970	2,759,443 -0.34%	-
1980	2,651,991 -3.89%	-
1990	2,468,289 -6.93%	2,564,535 -
2000	2,431,087 -1.51%	2,525,730 -1.51%
2010	2,356,285 -3.1%	2,660,727 5.34%
2015 (est.)	2,353,045 -0.14%	2,648,605 -0.46%
2016	2,342,299 -0.45%	2,635,228 -0.51%

ECONOMY



Federal Reserve Board Districts (Subject located in District 12)

According to the Pennsylvania Department of Labor, the December seasonally adjusted unemployment rate in the seven-county Pittsburgh Metropolitan Statistical Area (MSA) increased one-tenth of a percentage point to 4.9 percent. The Pittsburgh and Allentown-Bethlehem-Easton PA-NJ MSAs tied for the 11th lowest unemployment rate among Pennsylvania's 18 MSAs; rates ranged from 3.6 percent in the Gettysburg MSA to 5.9 percent in the East Stroudsburg MSA. The December seasonally adjusted unemployment rate for Pennsylvania went up one-tenth to 4.7 percent and the national rate was unchanged at 4.1 percent. Over the year, the MSA's rate fell seven-tenths of a percentage point.

Within the Pittsburgh MSA, Butler County had the lowest unemployment rate at 4.7 percent, while Fayette County held the highest rate of the seven counties at 7.0 percent. Unemployment rates across Pennsylvania ranged from 3.6 percent in Adams County to 7.4 percent in Forest County.

In December, seasonally adjusted total nonfarm jobs in the Pittsburgh MSA increased 6,100 to 1,186,100. Over the year, jobs were up 1.7 percent (+20,300) in the MSA, while statewide jobs grew 1.3 percent. As the holiday shopping and shipping season continued, transportation, warehousing, & utilities experienced the largest over-the-month job increase of any published industry (+1,500). Education & health services had the biggest decrease (-2,700) among supersectors, while construction had the second largest decrease (-1,900).

PITTSBURGH METROPOLITAN STATISTICAL AREA (Allegheny, Armstrong, Beaver, Butler, Fayette, Washington & Westmoreland Counties)								
TOTAL CIVILIAN LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT, AND UNEMPLOYMENT RATE BY PLACE OF RESIDENCE 1/								
TIME PERIOD	CIVILIAN LABOR FORCE	EMPLOY- MENT 2/	UNEMPLOY- MENT	RATE (%) 3/	SEASONALLY ADJUSTED 4/			
					LABOR FORCE	EMPLOY- MENT 2/	UNEMPLOY- MENT	RATE (%) 3/
December 2017	1,194,100	1,140,400	53,800	4.5	1,203,100	1,143,800	59,300	4.9
November	1,201,700	1,149,800	51,800	4.3	1,204,700	1,146,700	57,900	4.8
October	1,196,600	1,147,100	49,600	4.1	1,201,300	1,145,200	56,100	4.7
December 2016	1,202,400	1,141,100	61,300	5.1	1,212,300	1,144,400	68,000	5.6

Source: Pennsylvania Department of Labor

Pittsburgh is located in the Federal Reserve Board's 4th district. According to the Federal Reserve Beige Book dated November April 19, 2017, business activity grew at a moderate pace in the Fourth District since our last report. Labor markets continued to tighten. Challenges in attracting and retaining qualified workers contributed to wage pressures. Supply chain disruptions furthered upward pressure on input costs. Retailers saw a boost in brick-and-mortar traffic, while new motor vehicle sales strengthened. Manufacturing output grew at a modest pace overall, but production at District motor vehicle assembly plants trended lower. Nonfinancial services and freight transport firms saw moderate to strong gains in activity. Homebuilders and realtors expressed concern about the impact of rising home prices on the first-time buyer market. Activity in commercial real estate remained elevated.

EMPLOYMENT AND WAGES

A boost in hiring that began in the third quarter continued during the survey period. The strongest activity was found in the construction and nonfinancial services sectors. Retailers reported a

seasonal increase in payrolls. The spike in bank hiring late in the third quarter has faded. Staffing changes at banks are now in line with levels seen for most of 2017. A majority of contacts reported they are replacing departed workers and that the share of firms creating new jobs remains high. Attracting and retaining qualified workers, both low and high-skilled, is a challenge facing many of our contacts across industry sectors. A growing number of firms reported increasing wages more frequently or giving mid-year bonuses as a means of retention. The strongest wage pressures were found in the banking and retail sectors.

PRICES

Upward pressure on input costs remained strong, while the share of contacts who reported they were increasing selling prices was at its highest level since the end of the second quarter. Higher input costs were widespread in the construction, manufacturing, and nonfinancial services sectors. Construction contractors generally attributed higher materials prices to rebuilding efforts resulting from recent hurricanes and ongoing disputes with Canada over lumber tariffs. Manufacturers cited hurricane-related damage to petrochemical plants as the primary reason for near-term price spikes for a wide-range of petrochemical products. One report indicated that the price of resins has risen 20 percent. Another manufacturer pointed to speculation driving up commodity prices to unsustainably high levels, causing material costs to grow significantly. However, he expects these prices to fall from these high levels. The home building and freight hauling industries reported the highest share of companies raising their selling prices. Several freight haulers reported that FEMA contracted with carriers from across the country to assist in hurricane rebuilding, further limiting freight capacity, which is already tight. The end result is a boost in freight rates and higher labor costs. Once the hurricane damage is overcome, expectations are that freight rates will decline.

CONSUMER SPENDING

Retailers' outlooks were generally more upbeat when compared to their outlooks during recent reporting periods. A few contacts noted that efforts to improve the customers' shopping experiences, including technology upgrades, have resulted in increased store traffic. A specialty apparel chain reported that consumers seemed a little more confident and that the chain's products are resonating with customers. A furniture retailer said that despite higher expectations set earlier in the year, he is still experiencing revenue growth across his stores ranging from 2 percent to 5 percent. Most contacts are cautiously optimistic heading into the holiday shopping season. Year-to-date unit sales through September of new motor vehicles rose 2 percent compared to those of a year ago. That said, auto dealers reported that they are starting to see a slowing in demand after seven consecutive years of gains. One OEM remarked that the outlook for 2018 and 2019 is uncertain, but early projections call for new vehicle transactions nationally to decline about 2 percent from 2017 levels.

INDUSTRIAL PRODUCTION

Little change was seen in the manufacturing sector during the period, with output largely expanding at a modest pace. The strongest levels of activity were reported by suppliers to the aerospace, consumer electronics, motor vehicle, oil and gas, and residential construction industries. An aerospace executive noted that her industry is reporting strong backlogs and order books and more aggressive production schedules. Steel producers and service centers are seeing

rising volume. One service center indicated that volume increased 13 percent when compared to year-ago levels. Year-to-date production through September at District auto assembly plants declined about 20 percent when compared to that of the same period a year earlier. The decrease can be attributed to retooling for two next-generation vehicles and to cutbacks in small passenger car production. Manufacturers reported an increase in spending for plant expansions and product development after spending declines in the third quarter. The outlook by our contacts calls for a gradual pickup in the pace of growth in the near term.

REAL ESTATE AND CONSTRUCTION

Year-to-date unit sales through September of new and existing single-family homes increased 1 percent compared to those of a year earlier. The average sales price rose 5 percent. Homebuilders are concerned about rising input costs (land, development, materials, and labor) and the negative impact these costs may have on the first-time buyer market. One builder reported that he can no longer build a starter home for less than \$200,000. A realtor noted that although the market is seeing a high number of first-time buyers, the major challenge is a shortage of properties, a limitation which results in multiple-offer situations.

Comments from commercial contractors were mainly unchanged from our last report. Activity remains at elevated levels. Property development was broad based except in retail, for which demand continued to be weak. Backlogs were stable at high levels. The downturn in inquiries cited in the third quarter has abated. A moderate increase was reported in selling prices for office and industrial properties during the first nine months of 2017 compared to those of the same period a year ago. During the same time-frame, reports indicated a decline in the number of apartments coming on the market. Apartment rents continued to trend moderately higher.

BANKING

Business and consumer lending increased during the period, but both segments reported a modest pace of growth. On the business side, M&A financing and CRE loans are healthy, while the market for C&I loans to manufacturers is soft. Indirect auto lending and purchase mortgages remain relatively strong. When asked about why lending is not growing at a more robust pace, one banker reported that because of government uncertainty, customers are moving back to the sidelines. Another contact said that although the economic environment is positive, it is not yet strong. Some bankers mentioned their uncertainty about how much of their market share is being captured by non-bank lenders, especially for C&I loans. Credit quality was stable at a strong level.

NON-FINANCIAL SERVICES

Freight volume generally increased beyond what can be accounted for by seasonal factors. Rail and trucking firms cited growth in manufacturing output and the energy sector and a need to deliver supplies for hurricane relief as driving stronger demand. There is concern about the industry's facing capacity constraints by year's end because of electronic logging device requirements and rebuilding from recent hurricanes.

Professional and business services firms saw moderate to strong gains in activity during the period. Engineering and architecture firms attributed the gains to clients' rising capital budgets. One

architect reported a two-year backlog. An IT firm remarked that clients continue to migrate toward cloud-based solutions versus premise-based solutions as clients struggle to staff their own IT departments.

MOODY'S ECONOMY.COM

The following pages are taken from the most recent Moody's Economy.com report, which reflects the current economic conditions in the MSA as of January 2018.

2011	2012	2013	2014	2015	2016	INDICATORS	2017	2018	2019	2020	2021	2022
121.2	124.1	125.7	129.3	133.0	134.2	Gross metro product (C09\$ bil)	136.5	140.1	142.8	144.3	146.5	149.6
3.1	2.4	1.3	2.8	2.9	1.0	% change	1.7	2.6	2.0	1.0	1.6	2.1
1,144.7	1,157.2	1,157.5	1,159.7	1,161.7	1,163.0	Total employment (ths)	1,180.8	1,192.5	1,202.1	1,207.1	1,208.7	1,217.2
1.7	1.1	0.0	0.2	0.2	0.1	% change	1.5	1.0	0.8	0.4	0.1	0.7
7.3	7.1	6.6	5.6	5.3	5.7	Unemployment rate (%)	5.0	4.8	4.6	4.8	5.1	5.2
5.4	3.8	0.3	3.7	4.3	1.5	Personal income growth (%)	5.1	5.5	5.3	4.6	3.9	4.3
48.7	50.2	51.4	52.6	54.1	57.1	Median household income (\$ ths)	59.2	61.7	64.2	66.6	68.8	71.3
2,359.9	2,361.7	2,361.4	2,358.0	2,351.3	2,342.3	Population (ths)	2,343.1	2,344.2	2,344.4	2,342.6	2,340.3	2,339.9
0.1	0.1	-0.0	-0.1	-0.3	-0.4	% change	0.0	0.0	0.0	-0.1	-0.1	-0.0
7.6	5.0	3.6	0.5	-3.2	-3.6	Net migration (ths)	5.0	5.3	4.4	2.6	2.2	4.3
2,654	2,918	3,258	3,089	3,293	3,200	Single-family permits (#)	3,951	5,146	5,742	5,623	5,649	6,074
260	548	1,312	1,110	1,971	1,043	Multifamily permits (#)	3,112	1,969	1,007	407	314	425
164.1	166.3	170.8	176.5	183.5	191.5	FHFA house price (1995Q1=100)	198.0	202.7	203.5	204.1	207.5	212.8

Recent Performance. Pittsburgh's economy is growing again as the metro area finally moves beyond the energy bust. A surge of job creation since mid-2017 puts year-ago payroll growth well ahead of the Pennsylvania and U.S. averages and marks Pittsburgh's best performance since 2012. This has pushed the unemployment rate below 5% for the first time since before the Great Recession and stirred stronger wage growth. Growth in private services is strong and is tracking the U.S. and state averages. The biggest change compared with a year ago is that goods-producing industries are no longer major drags. As in much of the state, local government remains a sore spot as the cost of underfunded pensions crowds out hiring. The out-migration of thousands of unemployed energy sector workers and the last few years of lackluster labor market performance have kept the housing market in check. Single-family price appreciation lags that in the state, and permitting has yet to return to pre-crash levels.

Healthcare. An aging population will keep demand for medical services growing steadily, and large healthcare institutions with the financial wherewithal to invest will ensure supply keeps up. Healthcare employment grew at a modest pace in 2017, but a more complete count of jobs from the Quarterly Census of Employment and Wages suggests that gains will be revised upward. This is consistent with the strong underlying fundamentals.

On the demand side, Pittsburgh's above-average share of seniors will sustain demand for healthcare despite the declining overall population. On the supply side, the metro area's healthcare institutions are well-positioned to invest and expand to meet new demand. For example, over the next five years alone, UPMC will spend \$2 billion on three new specialty hospitals. Ongoing investments support the forecast for healthcare payrolls to continue outpacing overall job growth.

Education. Higher education faces a challenging environment but will remain an important driver as institutions generate a skilled workforce and leading researchers. Colleges and universities across Pennsylvania are struggling with a declining college-age population. The population age 20

to 24 has shrunk by 7% in Pittsburgh since 2011, and further declines are on the horizon. This bodes poorly for private education employment, which has rebounded over the last year but is not expected to surpass its 2011 peak.

However, Pittsburgh's leading educational institutions will remain important to the economy. Carnegie Mellon, for example, has played an instrumental role in growing Pittsburgh's high-tech scene, supplying new graduates and experienced researchers to artificial intelligence, robotics and other startups. Unlike some struggling colleges in the state, Pittsburgh's educational institutions are in healthy financial shape and will remain crucial economic assets despite the lack of underlying demand growth

Natural resources and mining. The worst has passed for natural resources and mining, but significant growth in employment is not expected. With energy prices firming, the rapid natural gas industry job losses of the past few years have abated. However, productivity gains mean that output can increase with fewer workers than before. As a result, employment will not return to its 2014 peak, but downstream industries will reap some spillover benefits. For example, Shell's \$6 billion ethane cracker will utilize natural gas and employ hundreds.

EDUCATION

Pittsburgh Public Schools teachers are paid well relative to their peers, ranking 17th in 2000 among the 100 largest cities by population for the highest minimum salary offered to teachers with a BA (\$34,300). Pittsburgh ranked fifth in the highest maximum salary offered to teachers with an MA (\$66,380). Local public schools include many charter and magnet schools, including City Charter High School, Pittsburgh Montessori School, Pittsburgh Gifted Center, Barack Obama Academy of International Studies 6-12, Pittsburgh Creative and Performing Arts 6-12, Pittsburgh Science and Technology Academy, the Western Pennsylvania School for Blind Children, and the Western Pennsylvania School for the Deaf.

Private schools in Pittsburgh include Bishop Canevin High School, Central Catholic High School, Oakland Catholic High School, Winchester Thurston School, St. Edmund's Academy, and The Ellis School. Shady Side Academy maintains a PK-5 primary school campus in the Point Breeze neighborhood, in addition to its 6-12 middle and upper school campuses located in nearby suburban Fox Chapel. Other private institutions outside of Pittsburgh's limits include North Catholic High School and Seton-La Salle Catholic High School.

The city also has an extensive library system, both public and university. Most notable are the Carnegie Library of Pittsburgh and the University of Pittsburgh's University Library System, which rank 9th-largest (public) and 18th-largest (academic) in the nation, respectively.

Pittsburgh is home to many colleges, universities and research facilities, the most well-known of which are Carnegie Mellon University, the University of Pittsburgh, and Duquesne University. Also located in the city are Carlow University, Chatham University, Point Park University, The Art Institute of Pittsburgh, the Community College of Allegheny County, Pittsburgh Theological Seminary, Reformed Presbyterian Theological Seminary, and the Pittsburgh Institute of Mortuary Science. The region's suburbs also host several colleges and universities such as: Clarion University of Pennsylvania, LaRoche College, Slippery Rock University, Westminster College

and Grove City College north of the city, Robert Morris University and Geneva College west of the city, Washington & Jefferson College, California University of Pennsylvania and Waynesburg University to the south, and Seton Hill University, Saint Vincent College and Indiana University of Pennsylvania to the east.

The Greater Pittsburgh area is also home to four Commonwealth Campuses of the Pennsylvania State University system including Penn State Beaver, Penn State Fayette, The Eberly Campus, Penn State Greater Allegheny, and Penn State New Kensington.

TRANSPORTATION

Pittsburgh is a city of bridges. With a total of 446, it has three more bridges than Venice, Italy, which has historically held the title "City of Bridges." Around 40 bridges cross the three rivers near the city. The Smithfield Street Bridge was the world's first lenticular truss bridge. The city's Three Sisters Bridges offer a picturesque view of the city from the North. The south-western "entrance" to Downtown for travelers coming in from Interstate 79 and the Pittsburgh International Airport is through the Fort Pitt Tunnel and over the Fort Pitt Bridge.

Amtrak serves the region with stops at Penn Station in Downtown Pittsburgh, Connellsville to the southeast and both Greensburg and Latrobe to the east. Freight rail is a major industry for the area with the Pittsburgh Line and the Conway Yard among other infrastructure serving the region.

Pittsburgh International Airport is located 17 miles to the west of downtown Pittsburgh in Findlay. Since being de-hubbed from US Airways, the airport has seen expanded service from JetBlue, Southwest Airlines and Delta Air Lines' direct trans-Atlantic service to Paris. Arnold Palmer Regional Airport offers commercial service via Spirit Airlines to the Carolinas, Florida and Texas. The Arnold Palmer Regional Airport to the east of downtown in Latrobe provides commercial service to the metro area. There are also several smaller suburban airports serve as private plane and corporate jet bases.

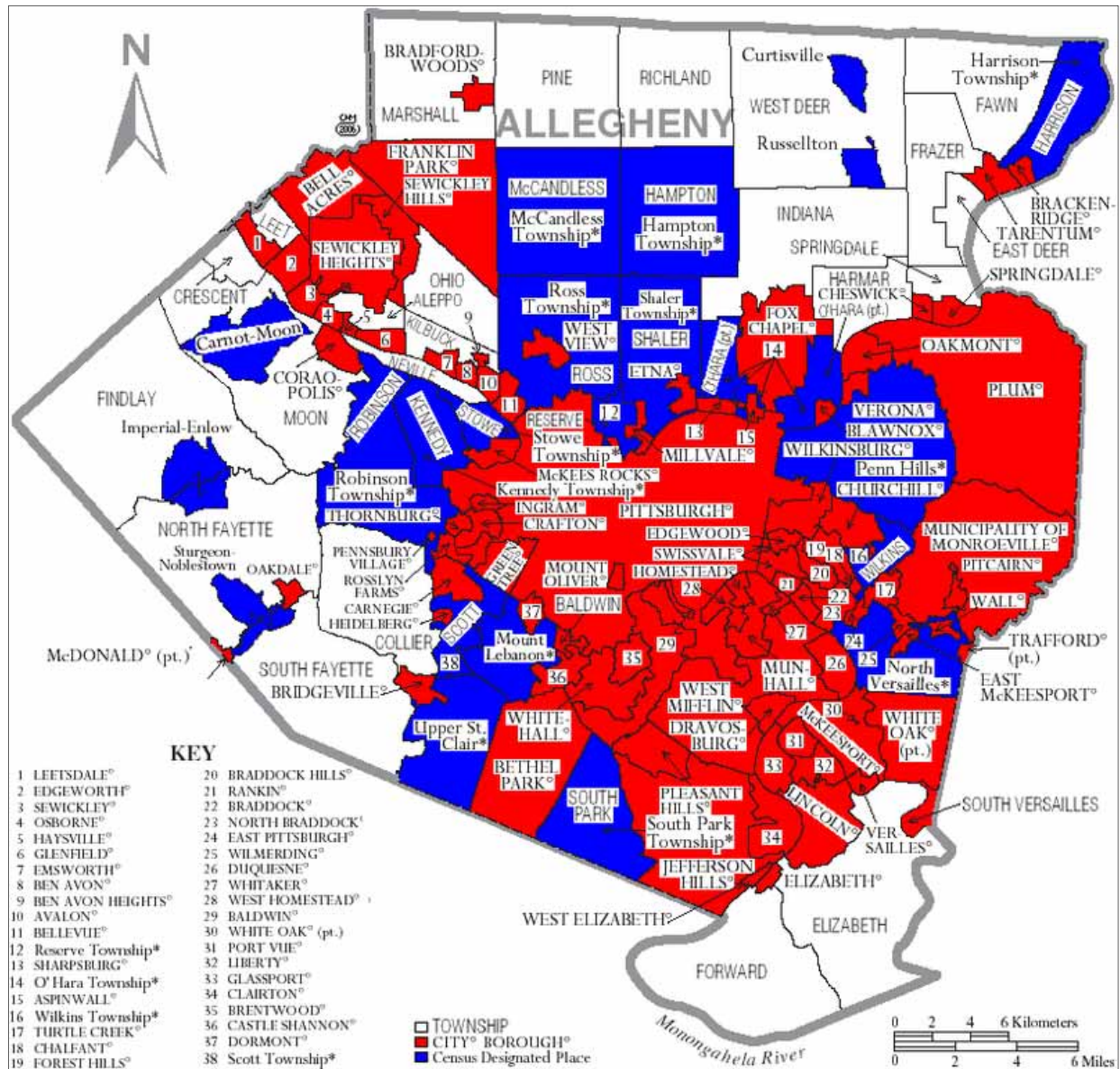
In terms of mass transit, the Port Authority of Allegheny County (PAT) is the largest mass transit service in the metro area and includes a 26-mile subway/light rail system, all serving the central core. This system is complimented by BTA and Town & Country to north destinations, BCTA and NTC to northwest destinations, WCTA and IndiGo to eastern destinations, WCT, MMVTA and FACT serving southern destinations. The University of Pittsburgh Transportation System also provides services in the eastern core of the metropolitan area while Mountain Line Transit serves the city, western suburbs and an express route south to Morgantown, West Virginia.

The Pittsburgh area is served by four main-line Interstates including the Pennsylvania Turnpike: I-70; I-76 / Penna Turnpike; I-79 and I-80, as well as several Interstate spur routes: I-376, I-576, I-279, and I-579. Other expressways include US 22 which serves west area commuters from Steubenville, Ohio, through West Virginia and into the metro area of Washington County, Pennsylvania, and into Allegheny merging into I-376; US 30 in the Greensburg area and co-signed with I-376 through the city and western suburbs, US 119, US 422, SR7, PA 28, PA 65 and Toll Roads PA 43 and 66.

SUMMARY

The Pittsburgh MSA area has had an established history of economic stability due to its accessibility to major markets, its central location, excellent transportation facilities, and diversified economic base. According to Moody's Economy.com, led by healthcare and high tech, economic growth in Pittsburgh will build momentum in the coming year and keep pace with that in Pennsylvania.

ALLEGHENY COUNTY



OVERVIEW

Allegheny County is a county in the southwestern quarter of the State of Pennsylvania. It is the second-most populous county in Pennsylvania, following Philadelphia County. The county seat is Pittsburgh. Allegheny County is included in the Pittsburgh, PA Metropolitan Statistical Area. The county is in the Pittsburgh Designated Market Area. According to the U.S. Census Bureau, the county has a total area of 745 square miles, of which 730 square miles is land and 14 square miles (1.9%) is water. Allegheny County is bounded by Butler County to the north, Armstrong County to the northeast, Westmoreland County to the east, Washington County to the southwest, and Beaver County to the northwest.

Allegheny County is known for the three major rivers that flow through it: the Allegheny River and the Monongahela River converge at Downtown Pittsburgh to form the Ohio River. The Youghiogheny River flows into the Monongahela River at McKeesport, 10 miles southeast. Several islands are located within the riverine systems. Water from these rivers eventually flows into the Gulf of Mexico via the Mississippi River. Although the county's industrial growth caused the clearcutting of forests, a significant woodland remains.

HISTORY

Allegheny County was the first in Pennsylvania to be given a Native American name, being named after the Allegheny River. The word "Allegheny" is of Lenape origin, with uncertain meaning. It is usually said to mean "fine river", but sometimes said to refer to an ancient mythical tribe called "Allegewi" that lived along the river long ago before being destroyed by the Lenape. In 1749 Captain Pierre Joseph Céloron de Blainville, claimed the Ohio Valley and all of western Pennsylvania for Louis XV of France. The captain traveled along the Ohio and Allegheny rivers inserting lead plates in the ground to mark the land for France. Since most of the towns during that era were developed along waterways, both the French and the British desired control over the local rivers.

Both Pennsylvania and Virginia claimed the region that is now Allegheny County. Pennsylvania administered most of the region as part of its Westmoreland County. Virginia considered everything south of the Ohio River and east of the Allegheny River to be part of its Yohogania County and governed it from Fort Dunmore. In addition, parts of the county were located in the proposed British colony of Vandalia and the proposed U.S. state of Westsylvania. The overlapping boundaries, multiple governments, and confused deed claims soon proved unworkable. In 1780 Pennsylvania and Virginia agreed to extend the Mason–Dixon line westward, and the region became part of Pennsylvania. From 1781 until 1788, much of what had been claimed as part of Yohogania County, Virginia, was administered as a part of the newly created Washington County, Pennsylvania.

Allegheny County was officially created on September 24, 1788, from parts of Washington and Westmoreland counties. It was formed due to pressure from settlers living in the area around Pittsburgh, which became the county seat in 1791. The county originally extended all the way north to the shores of Lake Erie. By 1800, the county's current borders were set. The area developed rapidly throughout the 19th century to become the center of steel production in the nation. Pittsburgh would later be labeled the "Steel Capital of the World".

GOVERNMENT

Pennsylvania has 67 individual governmental units designated as counties. Counties are distinguished into different classes based on their population, ranging from the 1st class county of Philadelphia to 8th class. Pennsylvania mandates the classification of counties according to population size.

Unlike most other states, Pennsylvania's counties geographically overlap municipalities such as boroughs, townships and cities, but they provide a different set of services. Therefore, every Pennsylvanian is both a resident of their county and their city, borough or township at the same

time. Most counties are governed by a board of three County Commissioners elected every four years by the voters who live there. The Board of Commissioners oversees the entire operation of the County and represents the best interests of the citizens.

Allegheny County has 130 municipalities, with each governing itself. Each of the primary municipalities is governed by an elected body - supervisors, councils, or commissioners, depending on the municipal designation. Each is responsible for establishing and administering municipal financial budgets and tax rates, as well as being responsible for land use controls through zoning and subdivision regulations and building permits. Road maintenance and other general services are provided by local officials as well.

DEMOGRAPHIC CHARACTERISTICS

Allegheny County is considered a mature county in terms of population growth within the Greater Pittsburgh MSA region. The 2010 census revealed a population of 1,223,348 persons, representing a decrease of 4.51% from the 2000 population of 1,281,229 persons. Estimated as of 2017, Nielsen Segmentation Solutions indicates a population of 1,229,961 persons in Allegheny County, a nominal 0.54% increase from the 2010 level. The following table illustrates historical and projected population, households and other pertinent demographic data for Allegheny County.

ALLEGHENY COUNTY DEMOGRAPHIC CHARACTERISTICS

Category	2010 Census	2017 Estimate	2022 Projection	% Change 2010–2017	% Change 2017–2022
Population	1,223,348	1,229,961	1,235,05	0.54%	0.48%
Households	533,960	545,540	552,446	2.17%	1.27%
Families	308,009	314,641	318,624	2.15%	1.27%
Housing Units	589,201	604,201	612,613	2.55%	1.39%
Category	2000 Census	2017 Estimate	2022 Projection	% Change 2000–2017	% Change 2017–2022
Average Household Income	\$53,078	\$78,507	\$85,123	47.91%	8.43%
Median Household Income	\$38,792	\$56,326	\$60,552	45.20%	7.50%

Source: Nielsen Segmentation Solutions

As evident, the county has experienced modest growth in population, households and housing units over the past five years, with growth averaging less than 0.5% per annum.

LABOR FORCE

Despite minimal overall growth in population and household levels, employment in Allegheny County has remained relatively strong over the past several years, with unemployment rates typically similar State and MSA levels. Within Allegheny County, approximately 18.6% of the labor force is employed in the Healthcare and Social Assistance; 13.5% within Wholesale and Retail Trade; 8.5% in Educational Services; 8.4% in Accommodation and Food Services; 6.5% in Finance and Insurance, and 5.3% in Manufacturing. The following table illustrates the largest employers in Allegheny County as of the Fourth Quarter 2016, the most recent data available:



Top 50 Employers

Allegheny County

2nd Quarter, 2017

Combined Government Ownerships

Rank	Employer	Rank	Employer
1	UPMC Presbyterian Shadyside	26	St Clair Memorial Hospital
2	University of Pittsburgh	27	Dick's Sporting Goods Inc
3	Federal Government	28	Duquesne University
4	PNC Bank NA	29	Comcast Cablevision Corp (PA)
5	Western Penn Allegheny Health	30	Home Depot USA Inc
6	Giant Eagle Inc	31	UPMC Passavant
7	Allegheny County	32	UPMC Community Medicine Inc
8	Bank of New York Mellon	33	Rivers Casino
9	Carnegie Mellon University	34	Bayer US LLC
10	State Government	35	PPG Industries Inc
11	School District of Pittsburgh	36	Community College of Allegheny Cnty
12	Wal-Mart Associates Inc	37	FedEx Ground Package System Inc
13	United States Steel Corporation	38	Target Corporation
14	Eat'n Park Hospitality Group	39	Jefferson Regional Medical Center
15	City of Pittsburgh	40	University Health Ctr of Pittsburgh
16	University of Pittsburgh Physicians	41	HM Health Solutions Inc
17	Children's Hospital of Pittsburgh	42	Lowe's Home Centers LLC
18	Allegheny Clinic	43	Festival Fun Parks LLC
19	Magee-Women's Hospital of UPMC	44	UPMC Saint Margaret
20	UPMC Health Plan Inc	45	Heartland Employment Services LLC
21	Bechtel Marine Propulsion Corp	46	Duquesne Light Company
22	Highmark Inc	47	GMRI Inc
23	UPMC Mercy	48	Core Network LLC
24	Port Authority of Allegheny County	49	Universal Protection Service LLC
25	UPMC Physician Operations and Pro. Services	50	YMCA of Greater Pittsburgh

Source: Quarterly Census of Employment and Wages

TRANSPORTATION

Allegheny County's public transportation provider is the Port Authority of Allegheny County. The Allegheny County Department of Public Works oversees infrastructure, maintenance and engineering services in the county. The Three Rivers Heritage Trail provides uninterrupted bicycle

and pedestrian connections along the three rivers in the city, and the Great Allegheny Passage trail runs from downtown Pittsburgh to Washington, D.C. Major roadways include the following: Interstate 79 runs north to south from Wexford to Bridgeville; Interstate 279 runs north to south from the North Hills to Downtown; Interstate 579; Interstate 76/PA Turnpike runs east to west from I-376 in Monroeville to the Warrendale interchange; Interstate 376 runs east to west from the eastern suburbs (Monroeville, Plum, Penn Hills) across the county to Pittsburgh International Airport and beyond; and Pennsylvania Turnpike 576 (future I-576). In addition, US Route 19 runs north to south from Wexford to Mt. Lebanon; US Route 22 runs west to east and makes up US Route 30 and I-376; and US Route 30 runs west to east and joins US 22 and I-376 near Pittsburgh International Airport.

EDUCATION AND RECREATION

Major colleges and universities within Allegheny County include University of Pittsburgh, Robert Morris University, Carnegie Mellon University, DeVry University, Penn State Greater Allegheny, Duquesne University and La Roche College, among others. There are also a host of technical schools, junior and community colleges.

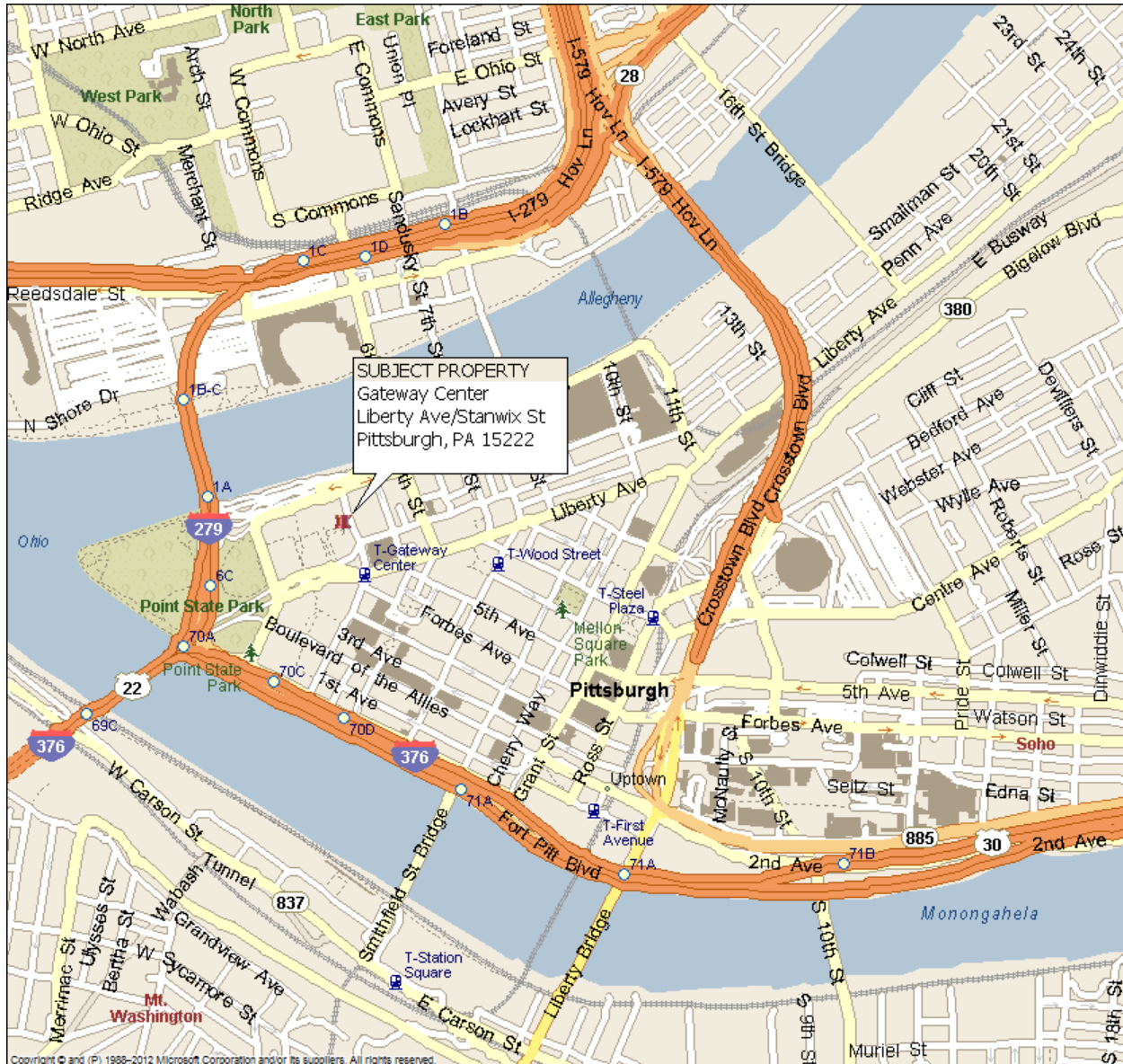
Allegheny County contains approximately 44 public school districts. The Commonwealth of Pennsylvania has 36 Approved Private Schools including the Charter Schools for the Blind and Deaf. Students attending these schools come from across the commonwealth. The private schools are licensed by the State Board of Private Academic Schools. They provide a free appropriate special education for students with severe disabilities.

There are two Pennsylvania state parks in Allegheny County. Point State Park is at the confluence of the Allegheny and Monongahela rivers in Downtown Pittsburgh, and Allegheny Islands State Park is in the Allegheny River in Harmar Township and is undeveloped.

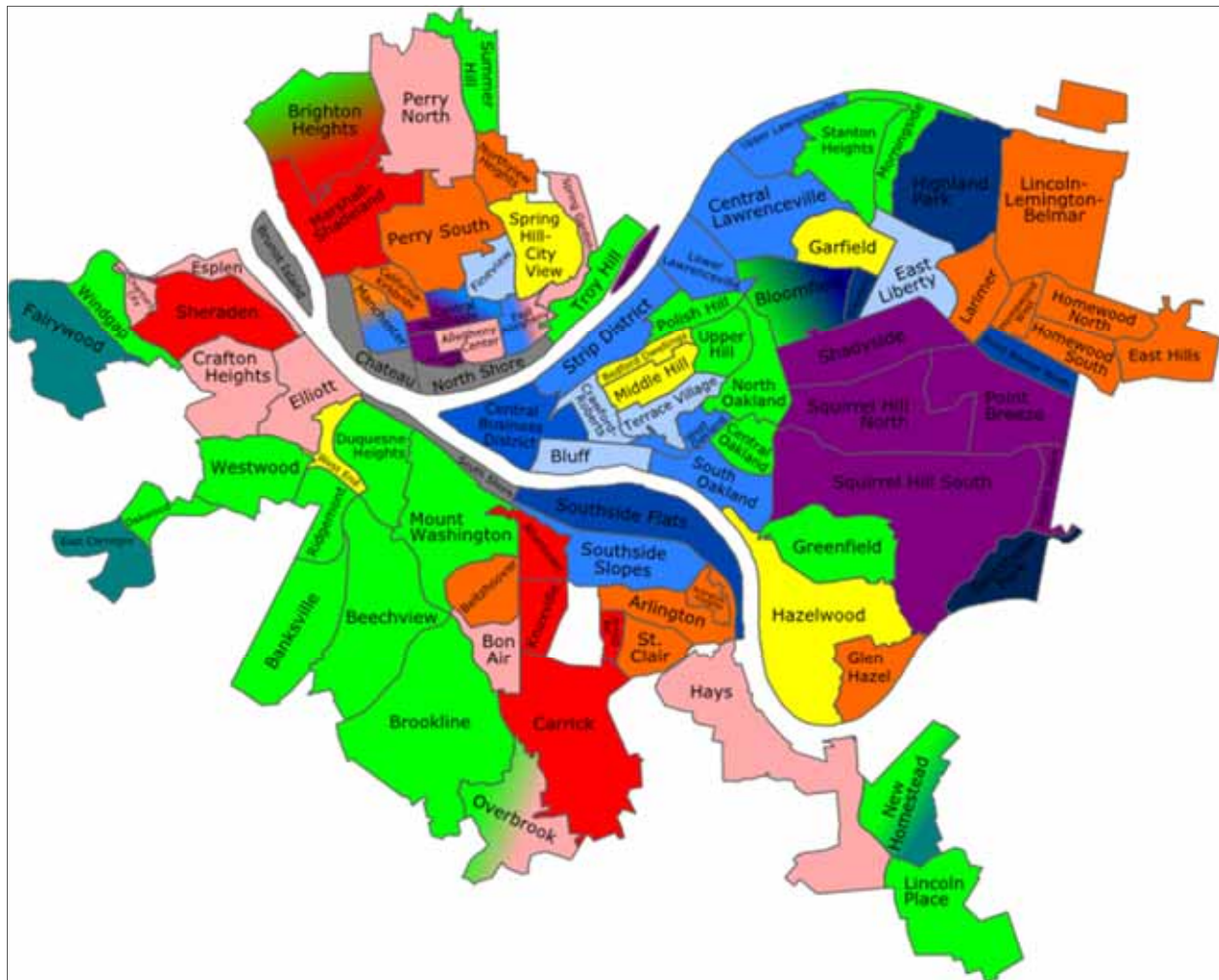
SUMMARY & CONCLUSION

Benefited with a good highway and transportation system, a diversified tax base, and a moderately sized skilled labor force, Allegheny County is an established suburban area within the greater Pittsburgh metropolitan area that is well positioned with a diversified employment base to be able to withstand the decline in market conditions nationally. This is evidence by increasing income levels and relatively low unemployment rates. The largest employment sectors are government oriented, which bodes well for the future continued success of the county.

NEIGHBORHOOD MAP



NEIGHBORHOOD DESCRIPTION – CITY OF PITTSBURGH



OVERVIEW AND GEOGRAPHY

Pittsburgh is a city in the Commonwealth of Pennsylvania in the United States, and is the county seat of Allegheny County. Located at the confluence of the Allegheny, Monongahela, and Ohio Rivers, Pittsburgh is known as both "the Steel City" for its more than 300 steel-related businesses, and as the "City of Bridges" for its 446 bridges. The city features 30 skyscrapers, two inclines, a pre-revolutionary fortification and the Point State Park at the confluence of the rivers.

Aside from steel, Pittsburgh has led in manufacturing of aluminum, glass, shipbuilding, petroleum, foods, sports, transportation, computing, autos, and electronics. For part of the 20th century, Pittsburgh was behind only New York and Chicago in corporate headquarters employment; it had the most U.S. stockholders per capita. America's 1980s deindustrialization laid off area blue-collar workers and thousands of downtown white-collar workers when the longtime Pittsburgh-based world headquarters moved out. This heritage left the area with renowned museums, medical centers, parks, research centers, libraries, a diverse cultural district and the most bars per capita in the U.S.

Pittsburgh has a total area of 58.3 square miles, of which 55.6 square miles is land and 2.8 square miles (4.75%) is water. The 80th meridian west passes directly through the city's downtown. The city is on the Allegheny Plateau. The Downtown area (also known as the Golden Triangle) sits where the Allegheny River flowing from the northeast and Monongahela River from the southeast form the Ohio River. The convergence is at Point State Park and is referred to as "the Point." The city extends east to include the Oakland and Shadyside sections, which are home to the University of Pittsburgh, Carnegie Mellon University, Chatham University, Carnegie Museum and Library, and many other educational, medical, and cultural institutions. The southern, western, and northern areas of the city are primarily residential.

HISTORY

Pittsburgh was named in 1758 by General John Forbes, in honor of British statesman William Pitt, 1st Earl of Chatham. Pittsburgh was incorporated as a township in 1771 and as a borough on April 22, 1794. The city developed as a vital link of the Atlantic coast and Midwest, as the mineral-rich Allegheny Mountains made the area coveted by the French and British empires, Virginians, Whiskey Rebels, and Civil War raiders. In 1749, French soldiers from Quebec launched an expedition to the forks to unite Canada with French Louisiana via the rivers. During 1753–54, the British hastily built Fort Prince George before a larger French force drove them off.

Following the American Revolution, the village of Pittsburgh continued to grow. One of its earliest industries was boat building for settlers of the Ohio Country. Pittsburgh became a possession of Pennsylvania in 1785. The following year, the Pittsburgh Post-Gazette was started, and in 1787, the Pittsburgh Academy was chartered. Unrest during the Whiskey Rebellion of 1794 resulted in federal troops being sent to the area. By 1797, glass manufacture began, while the population grew to around 1,400. Settlers came via routes over the Appalachian Mountains or through the Great Lakes. Fort Pitt (now Pittsburgh) at the source of the Ohio River became the main base for settlers moving into the Northwest Territory.

The War of 1812 cut off the supply of British goods, stimulating American industry. By 1815, Pittsburgh was producing significant quantities of iron, brass, tin, and glass. On March 18, 1816, the 46-year-old local government became a city. Pittsburgh was one of the largest cities west of the Allegheny Mountains; however, The Great Fire of Pittsburgh destroyed over a thousand buildings in 1845. The city rebuilt, and by 1857, Pittsburgh's 1,000 factories were consuming 22 million coal bushels yearly. The American Civil War also boosted the city's economy with increased iron and armament demand.

In the later 20th century, the area shifted its economic base to education, tourism, and services, largely based on healthcare/medicine, finance, and high technology such as robotics. Although Pittsburgh successfully shifted its economy and remained viable, the city's population has never rebounded to its industrial-era highs. While 680,000 people lived in the city proper in 1950, a combination of suburbanization and economic turbulence resulted in a decrease in city population, even as the metropolitan area population increased again.

NEIGHBORHOODS

The City of Pittsburgh consists of the Downtown area, called the Golden Triangle, and four main areas surrounding it. These surrounding areas are subdivided into distinct neighborhoods (in total, Pittsburgh contains 90 neighborhoods). Relative to downtown, these areas are known as the North Side, South Side/South Hills, East End, and West End.

Golden Triangle - Downtown Pittsburgh has 30 skyscrapers, nine of which top 500 feet (150 m). The U.S. Steel Tower is the tallest at 841 feet. The Cultural District comprises a 14-block area of downtown along the Allegheny River. It is packed with theaters and arts venues, and has a growing residential segment. New condominium towers have been constructed and historic office towers are converted to residential use, increasing 24-hour residents. Downtown is served by the Port Authority's subway and multiple bridges leading north and south. It is also home to Point Park University, The Art Institute of Pittsburgh, and Duquesne University which borders Uptown.

The North Side - The North Side is home to various neighborhoods in transition. Pittsburgh's North Side was once known as Allegheny City, and operated as a city independently of Pittsburgh until they subsequently merged. The North Side is primarily composed of residential neighborhoods and is noteworthy for well-constructed and architecturally interesting homes. Many buildings date from the 19th century and are constructed of brick or stone and adorned with decorative woodwork, ceramic tile, slate roofs and stained glass. The North Side is also home to many popular attractions such as Heinz Field, PNC Park, Carnegie Science Center, National Aviary, Andy Warhol Museum, Mattress Factory installation art museum, Children's Museum of Pittsburgh, Randyland, Highmark SportsWorks, Penn Brewery, and Allegheny Observatory. The North Side is also home to Allegheny General Hospital.

South Side - The South Side was once the site of the Pennsylvania Railroad railyards and associated dense, inexpensive housing for mill and railroad workers. Since the late 20th century, the city undertook a Main Street program encouraging design and landscape improvements on East Carson Street, and supporting new retail. The value of homes in the South Side has increased in value by about 10% annually for the past 10 years. East Carson Street has developed as one of the most vibrant areas of the city, packed with diverse shopping, ethnic eateries, vibrant nightlife, and live music venues.

East End - The East End is home to the University of Pittsburgh, Carnegie Mellon University, Carlow University, Chatham University, The Carnegie Institute's Museums of Art and Natural History, Frick Art & Historical Center (Clayton and the Frick art museum), Phipps Conservatory, Soldiers and Sailors Memorial Hall, and the Pittsburgh Zoo and PPG Aquarium. The neighborhoods of Shadyside and Squirrel Hill are affluent neighborhoods with some apartments and condominiums, with pedestrian-oriented shopping/business districts. Oakland is home to most of the universities, Schenley Park and the Petersen Events Center. Bloomfield is Pittsburgh's Little Italy and is known for its Italian restaurants and grocers. The Strip District to the west along the Allegheny River is an open-air marketplace by day and a clubbing destination by night.

West End - The West End includes Mt. Washington, with its famous view of the Downtown skyline and numerous other residential neighborhoods such as Sheraden and Elliott.

GOVERNMENT

The Government of Pittsburgh is composed of the Mayor of Pittsburgh, the Pittsburgh City Council, and various boards and commissions. The mayor and the nine-member council serve a four-year term. Since the 1950s the Mayor's Chief of Staff has assumed a large role in advising, long term planning, and as a "gatekeeper" to the mayor. City council members are chosen by plurality elections in each of nine districts. The government's official offices are located in the Pittsburgh City-County Building.

The Pennsylvania Supreme Court holds sessions in Pittsburgh, as well as Harrisburg and Philadelphia. Pittsburgh is represented in the Pennsylvania General Assembly by three Senate Districts and nine House Districts. Federally, Pittsburgh is part of Pennsylvania's 14th congressional district.

ECONOMY

Pittsburgh has adapted since the collapse of its century-long steel and electronics industries. The region has shifted to high technology, robotics, health care, nuclear engineering, tourism, biomedical technology, finance, education, and services. Reflecting the citywide shift from industry to technology, former factories have been renovated as modern office space. Six Fortune 500 companies call the Pittsburgh area home. Today, Google, Apple, Bosch, Facebook, Uber, Nokia, Autodesk, and IBM are among 1,600 technology firms generating \$20.7 billion in annual Pittsburgh payrolls. The area has served as the long-time federal agency headquarters for cyber defense, software engineering, robotics, energy research and the nuclear navy. The nation's fifth-largest bank, eight Fortune 500 companies, and six of the top 300 U.S. law firms make their global headquarters in the Pittsburgh area, while RAND, Bank of New York Mellon, Nova, FedEx, Bayer and NIOSH have regional bases that helped Pittsburgh become the sixth-best area for U.S. job growth. The region is also a hub for Leadership in Energy and Environmental Design, sustainable energy, and energy extraction.

TRANSPORTATION

Pittsburgh, surrounded by rivers and hills, has a unique transportation infrastructure that includes roads, tunnels, bridges, railroads, inclines, bike paths, and stairways. The main highway connecting Pittsburgh to the Pennsylvania Turnpike (I-76) on the east is I-376, known to locals as the "Parkway East."

Unlike many other major U.S. cities, Pittsburgh lacks a dedicated contiguous beltway surrounding the city. I-76 (Pennsylvania Turnpike), I-79, and I-70 form a roughly triangular-shaped "beltway," but commuters are forced to use secondary roads to go from suburb to suburb.

The city is served by Pittsburgh International Airport in suburban Findlay Township, Pennsylvania, formerly a hub and key focus city for US Airways.

Local public transportation is coordinated by the Port Authority of Allegheny County, or "PAT," the 14th-largest urban mass transit system in the United States. It services 730 square miles, including all of Allegheny county and portions of Armstrong, Beaver, Washington, and

Westmoreland counties. Port Authority runs a network of intracity and intercity bus routes, the Monongahela Incline funicular railway (more commonly known as an "incline") on Mount Washington, a light rail system that runs mostly above-ground in the suburbs and underground as a subway in the city, and one of the nation's largest busway systems.

DEMOGRAPHICS

Similar to Allegheny County, the City of Pittsburgh is considered a mature, stable area in terms of population and household growth. The 2010 census revealed a population of 305,704 persons, representing a decrease of 9.6% from the 2000 population of 334,563 persons. Estimated as of 2017, Nielsen Segmentation Solutions indicates a population of 307,268 persons in Pittsburgh, a nominal 0.51% increase from the 2010 level. The trends indicate relatively nominal increases in population, households and housing units over the past 5 years, with limited additional growth projected through 2022. The following table illustrates pertinent demographic data for the City of Pittsburgh:

CITY OF PITTSBURGH DEMOGRAPHIC CHARACTERISTICS

Category	2010 Census	2017 Estimate	2022 Projection	% Change 2010-2017	% Change 2017-2022
Population	305,704	307,268	308,237	0.51%	0.32%
Households	136,217	139,035	140,721	2.07%	1.21%
Families	61,741	62,650	63,222	1.47%	0.91%
Housing Units	156,165	160,040	162,158	2.48%	1.32%
Category	2000 Census	2017 Estimate	2022 Projection	% Change 2000-2017	% Change 2017-2022
Average Household Income	\$42,040	\$65,294	\$70,789	55.31%	8.42%
Median Household Income	\$29,009	\$42,665	\$45,666	47.08%	7.03%

Source: Nielsen Segmentation Solutions

The City of Pittsburgh is considered an area of below average affluence, as average and median household income levels are generally below Allegheny County and surrounding counties. Overall, demographics point to a mature, suburban to urban community of average to below average affluence.

EDUCATION AND RECREATION

Pittsburgh is home to many colleges, universities and research facilities, the most well-known of which are Carnegie Mellon University, the University of Pittsburgh, and Duquesne University. Also located in the city are Carlow University, Chatham University, Point Park University, The Art Institute of Pittsburgh, the Community College of Allegheny County, Pittsburgh Theological Seminary, Reformed Presbyterian Theological Seminary, and the Pittsburgh Institute of Mortuary Science.

Local public schools include many charter and magnet schools, including City Charter High School (computer and technology focused), Pittsburgh Montessori School (formerly Homewood Montessori), Pittsburgh Gifted Center, Barack Obama Academy of International Studies 6-12,

Pittsburgh Creative and Performing Arts 6–12, Pittsburgh Science and Technology Academy, the Western Pennsylvania School for Blind Children, and the Western Pennsylvania School for the Deaf.

Private schools in Pittsburgh include Bishop Canevin High School, Central Catholic High School, Oakland Catholic High School, Winchester Thurston School, St. Edmund's Academy, and The Ellis School. Shady Side Academy maintains a PK–5 primary school campus in the Point Breeze neighborhood, in addition to its 6–12 middle and upper school campuses located in nearby suburban Fox Chapel. Other private institutions outside of Pittsburgh's limits include North Catholic High School and Seton-La Salle Catholic High School.

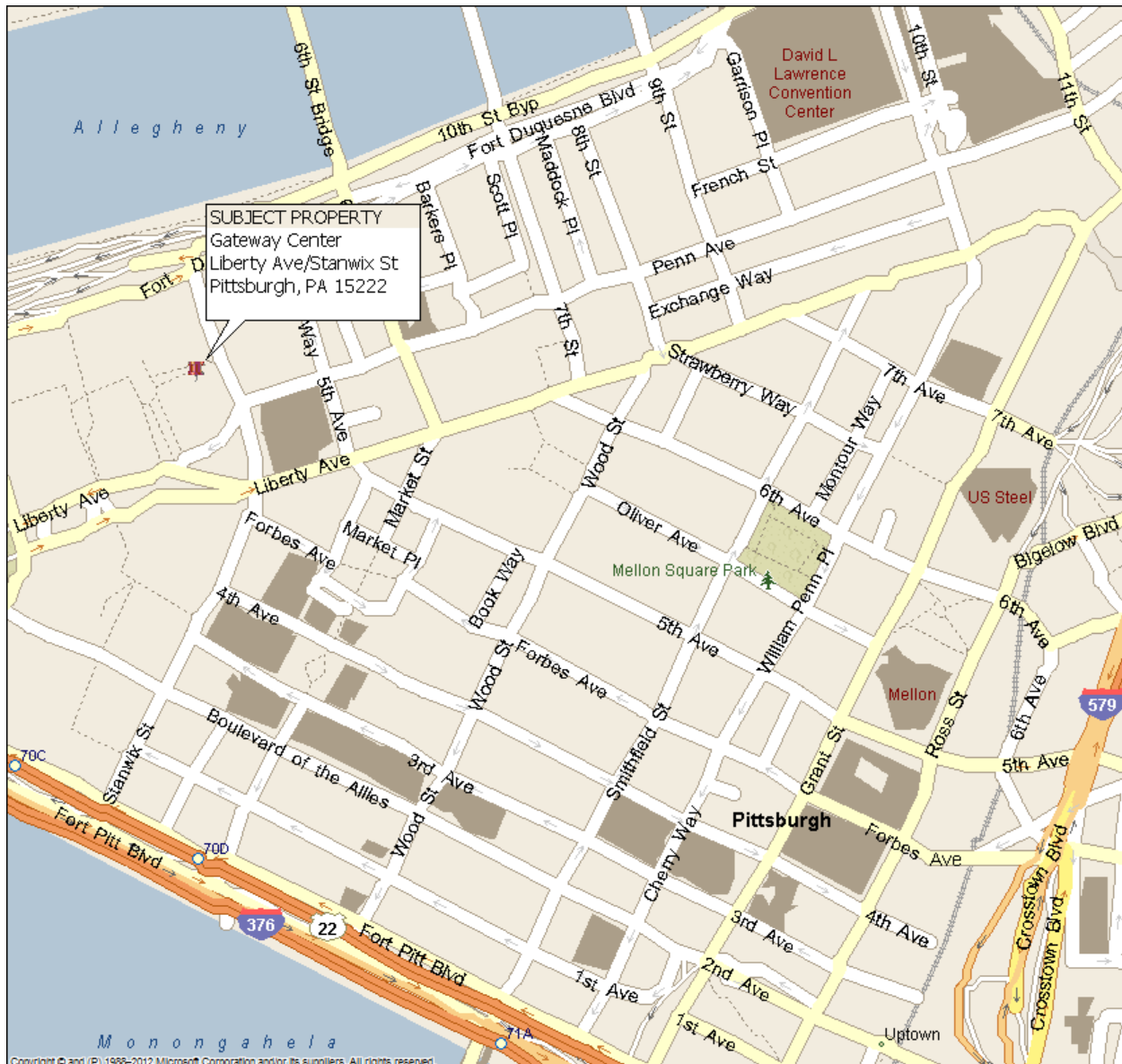
The city also has an extensive library system, both public and university. Most notable are the Carnegie Library of Pittsburgh and the University of Pittsburgh's University Library System, which rank 9th-largest (public) and 18th-largest (academic) in the nation, respectively

Bike and walking trails have been built to border many of the city's rivers and hollows, but steep hills and variable weather can make biking a challenge. The Great Allegheny Passage and Chesapeake and Ohio Canal Towpath connect the city directly to downtown Washington, D.C. (some 335 miles away) with a continuous bike/running trail. The steps of Pittsburgh comprise some 712 sets of outdoor public stairways with 44,645 treads and 24,090 vertical feet. They include hundreds of streets composed entirely of stairs, and many other steep streets with stairs for sidewalks. Many provide vistas of the Pittsburgh area while attracting hikers and fitness walkers.

The two largest area health care providers are the world-renowned University of Pittsburgh Medical Center (UPMC) since 1893 and Allegheny Health Network since 1882. Both flagship hospitals annually rank as among the best overall in the United States.

THE SPECIFIC SUBJECT LOCATION

The subject Gateway Center complex is consists of four office buildings and an underground parking garage structure arrayed around three fronting streets including Liberty Avenue, Stanwix Street and Fort Duquesne Boulevard, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. The downtown neighborhood is also known as the Golden Triangle and is the Central Business District, and the urban downtown center of Pittsburgh. It is located at the confluence of the Allegheny River and the Monongahela River whose joining forms the Ohio River.



The subject is situated within the Pittsburgh Renaissance Historic District. Bounded by Stanwix Street and the Allegheny, Monongahela and Ohio Rivers, it was listed on the National Register of Historic Places on May 2, 2013. In addition to the Gateway Center, it includes within its boundary the Forks of the Ohio, the Bell Telephone Company Building, and the Pittsburgh Post-Gazette Building.

Land uses within the subject neighborhood vary, and typically consist of smaller to larger commercial properties including office and retail buildings. As Pittsburgh is the county seat, there are also numerous municipal buildings including county and local government office buildings including courthouses. Other uses include hotels and residential buildings such as rentals and condominium towers. There are over 5,000 apartment and condo units in Greater Downtown Pittsburgh. Other notable buildings include the David L. Lawrence Convention Center and Fifth Avenue Place.

Three major entrances to the city are via tunnels: the Fort Pitt Tunnel and Squirrel Hill Tunnel on I-376 and the Liberty Tunnels. Downtown surface streets are based on two distinct grid systems that parallel the Allegheny and Monongahela rivers. These two grids intersect along Liberty Avenue, creating many unusual street intersections. Furthermore, the Allegheny grid contains numbered streets, while the Monongahela grid contains numbered avenues.

Downtown is served by the Port Authority's light rail subway system (known locally as the "T"), an extensive bus network, and two inclines (Duquesne Incline and Monongahela Incline). The Downtown portion of the subway has the following stations:

- Station Square on the South Shore in the Station Square development (street-level station)
- First Avenue near First Avenue & Ross Street, Downtown (elevated station)
- Steel Plaza at Sixth Avenue & Grant Street, Downtown (underground station)
- Penn Plaza near Liberty Avenue & Grant Street, Downtown (underground, limited service)
- Wood Street at the triangular intersection of Wood Street, Sixth Avenue, and Liberty Avenue, Downtown (underground station)
- Gateway Center at Liberty Avenue & Stanwix Street, Downtown (underground station)
- North Side near General Robinson Street & Tony Dorsett Drive on the North Shore (underground station)
- Allegheny near Allegheny Avenue & Reedsdale Street on the North Shore (elevated station)

Downtown is also home to an Amtrak train station connecting Pittsburgh with New York City, Philadelphia, and Washington, D.C. to the east and Cleveland and Chicago to the west. Greyhound's Pittsburgh bus terminal is located across Liberty Avenue from the Amtrak Station, in the Grant Street Transportation Center building.

CONCLUSION

In summary, the subject is located within an established downtown central business district in the City of Pittsburgh. The city is home to a number of colleges and universities, as well as local government offices and supporting services, including local courts. As a result, government agencies and law firms dominate the office uses within the city, as well as related support companies. The local economy has remained fairly strong over the past several years, and income levels – although modest – have increased. Population and household growth has stabilized over the past 20 years. Overall, the City of Pittsburgh is considered a mature, stable community which can be expected to remain so for the foreseeable future.

PITTSBURGH OFFICE MARKET OVERVIEW

The subject property is located in the Central Business District or CBD office submarket within the broader Pittsburgh Office market as defined by CoStar Property Services, a market research firm. The CBD submarket is one of eighteen separate submarkets (fifteen submarket clusters) which comprise the Western Pennsylvania market. The following pages contain the **CoStar Office Market Report** for The Pittsburgh office market as of the end of the Fourth Quarter 2017.

Submarket Clusters	Submarkets
Armstrong County	Armstrong County
Beaver County	Beaver County
Butler County	Butler County
Central Business District	CBD*
Greater Downtown	Greater Downtown
Monroeville	Monroeville
North Pittsburgh	I-279/I-79 Northwest North Pittsburgh/Rte 19
Northeast Pittsburgh	Northeast Pittsburgh
Oakland	Oakland
Parkway East Corridor	Parkway East Corridor
Parkway West Corridor	Parkway West Corridor
South Pittsburgh	South Pittsburgh/I-79 South Pittsburgh/Rte 19 South Pittsburgh/Rte 51
Washington County	Washington County
West Pittsburgh	West Pittsburgh
Westmoreland County	Westmoreland County

Total Office Market Statistics											Year-End 2017	
Period	Existing Inventory		Vacancy			Net	Deliveries		UC Inventory		Quoted	
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	# Blds	Total RBA	# Blds	Total RBA	Rates	
2017 4q	7,020	130,273,089	10,809,664	11,209,266	8.6%	(280,647)	3	174,611	9	590,293	\$21.30	
2017 3q	7,017	130,098,478	10,245,492	10,754,008	8.3%	149,119	4	182,223	10	638,721	\$21.52	
2017 2q	7,013	129,916,255	10,404,360	10,720,904	8.3%	22,787	5	54,100	12	662,346	\$21.25	
2017 1q	7,006	129,787,155	10,317,193	10,614,591	8.2%	(243,685)	2	113,341	18	776,721	\$20.97	
2016 4q	7,004	129,673,814	9,853,373	10,257,565	7.9%	(268,886)	1	44,000	18	702,562	\$20.49	
2016 3q	7,002	129,579,814	9,500,772	9,894,679	7.6%	198,840	3	45,185	10	368,166	\$20.32	
2016 2q	6,999	129,534,629	9,710,696	10,048,334	7.8%	726,437	4	81,962	8	297,148	\$20.23	
2016 1q	6,996	129,454,067	10,344,799	10,694,209	8.3%	217,360	2	189,246	11	274,547	\$20.04	
2015	6,996	129,277,042	10,389,809	10,734,544	8.3%	1,066,403	17	1,743,928	13	463,795	\$19.77	
2014	6,981	127,748,621	9,966,771	10,272,526	8.0%	1,324,212	13	749,770	17	1,884,874	\$19.88	
2013	6,967	126,341,451	9,721,522	10,189,568	8.1%	479,605	11	672,276	17	2,252,673	\$18.65	
2012	6,956	125,673,039	9,833,913	10,000,761	8.0%	974,358	14	343,695	15	1,836,036	\$18.50	
2011	6,945	125,401,546	10,624,986	10,703,626	8.5%	920,275	8	341,525	9	281,611	\$18.64	
2010	6,938	125,345,120	11,405,439	11,567,475	9.2%	1,129,152	11	801,813	3	57,477	\$18.64	
2009	6,927	124,559,101	11,513,253	11,910,608	9.6%	2,615,044	24	2,072,572	12	796,258	\$18.36	
2008	6,908	122,879,333	12,360,600	12,845,884	10.5%	1,745,844	10	777,746	26	2,392,804	\$18.39	

Source: CoStar Property®

Source: CoStar Property®

OVERVIEW

The Pittsburgh Office market ended the fourth quarter 2017 with a vacancy rate of 8.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (280,647) square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 399,602 square feet. Rental rates ended the fourth quarter at \$21.30, a decrease over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 174,611 square feet, with 590,293 square feet still under construction at the end of the quarter.

ABSORPTION

Net absorption for the overall Pittsburgh office market was negative (280,647) square feet in the fourth quarter 2017. That compares to positive 149,119 square feet in the third quarter 2017, positive 22,787 square feet in the second quarter 2017, and negative (243,685) square feet in the first quarter 2017.

Tenants moving out of large blocks of space in 2017 include: Westinghouse Electric Company moving out of 204,036 square feet at Westinghouse III; The Art Institute of Pittsburgh moving out of 142,412 square feet at Art Institute of Pittsburgh.

Tenants moving into large blocks of space in 2017 include: Omnicell, Inc. moving into 120,000 square feet at Cranberry Woods Office Park – Building 500 and MedExpress moving into 75,000 square feet at 1001 Consol Energy Drive.

The Class-A office market recorded net absorption of negative (425,412) square feet in the fourth quarter 2017, compared to negative (126,135) square feet in the third quarter 2017, positive 57,339 in the second quarter 2017, and negative (119,745) in the first quarter 2017.

The Class-B office market recorded net absorption of positive 150,009 square feet in the fourth quarter 2017, compared to positive 296,571 square feet in the third quarter 2017, negative (133,846) in the second quarter 2017, and negative (258,488) in the first quarter 2017.

The Class-C office market recorded net absorption of negative (5,244) square feet in the fourth quarter 2017 compared to negative (21,317) square feet in the third quarter 2017, positive 99,294 in the second quarter 2017, and positive 134,548 in the first quarter 2017.

Net absorption for Pittsburgh's central business district was positive 184,632 square feet in the fourth quarter 2017. That compares to positive 188,105 square feet in the third quarter 2017, negative (127,083) in the second quarter 2017, and negative (203,840) in the first quarter 2017.

Net absorption for the suburban markets was negative (465,279) square feet in the fourth quarter 2017. That compares to negative (38,986) square feet in third quarter 2017, positive 149,870 in the second quarter 2017, and negative (39,845) in the first quarter 2017.

VACANCY

The office vacancy rate in the Pittsburgh market area increased to 8.6% at the end of the fourth quarter 2017. The vacancy rate was 8.3% at the end of the third quarter 2017, 8.3% at the end of the second quarter 2017, and 8.2% at the end of the first quarter 2017.

Class-A projects reported a vacancy rate of 12.7% at the end of the fourth quarter 2017, 11.7% at the end of the third quarter 2017, 11.3% at the end of the second quarter 2017, and 11.5% at the end of the first quarter 2017.

Class-B projects reported a vacancy rate of 8.3% at the end of the fourth quarter 2017, 8.3% at the end of the third quarter 2017, 8.5% at the end of the second quarter 2017, and 8.1% at the end of the first quarter 2017.

Class-C projects reported a vacancy rate of 3.7% at the end of the fourth quarter 2017, 3.7% at the end of third quarter 2017, 3.6% at the end of the second quarter 2017, and 3.9% at the end of the first quarter 2017.

The overall vacancy rate in Pittsburgh's central business district at the end of the fourth quarter 2017 decreased to 9.4%. The vacancy rate was 10.0% at the end of the third quarter 2017, 10.6% at the end of the second quarter 2017, and 10.2% at the end of the first quarter 2017.

The vacancy rate in the suburban markets increased to 8.3% in the fourth quarter 2017. The vacancy rate was 7.7% at the end of the third quarter 2017, 7.5% at the end of the second quarter 2017, and 7.5% at the end of the first quarter 2017.

LARGEST LEASE SIGNINGS

The largest lease signings occurring in 2017 included: the 270,000-square-foot lease signed by United States Steel Corporation at US Steel Tower in the Central Business District market; the 65,830-square-foot deal signed by Reed Smith LLP at PNC Center in the Central Business District market. A listing of the top lease signings within the Pittsburgh office market in 2017 is presented as follows:

Select Top Office Leases Based on Leased Square Footage For Deals Signed in 2017

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 PNC Center*	CBD	65,830	1st	Reed Smith LLP	JLL	CBRE
2 Schenley Place	Greater Downtown	54,000	1st	N/A	N/A	CBRE
3 Parkway East Professional Center	Parkway East Corridor	47,873	3rd	Unknown	Direct Deal	Prudential Realty Company
4 Federal North Medical & Professional Center*	Greater Downtown	42,000	1st	Allegheny Health Network	JLL	N/A
5 Park Place Corporate Center One	Parkway West Corridor	40,993	4th	N/A	N/A	CBRE
6 The Regional Enterprise Tower*	CBD	38,523	2nd	Summa Technologies, Inc.	N/A	N/A
7 Town Square Office Building	Washington County	34,500	4th	N/A	N/A	CBRE
8 PHILIPS*	Monroeville	33,072	1st	Philips Respironics	JLL	Direct Deal
9 Bridgeside Point I	Parkway East Corridor	28,400	4th	Noveone Biotherapeutics	JLL	Direct Deal
10 The Offices at 3 Crossings - Riverfront West	Greater Downtown	25,845	3rd	N/A	N/A	Oxford Realty Services
11 The Fountainhead	Washington County	24,748	3rd	Crowne Castle USA, Inc.	Colliers International/Pittsburgh	Maguire & Partners Property Group
12 One PPG Place	CBD	23,664	1st	Industrious Pittsburgh	N/A	CBRE
13 400 Holiday Dr	Parkway West Corridor	22,260	1st	Careform	Burns Scala Brokerage, LLC	Burns Scala Brokerage, LLC
14 411 7th Ave	CBD	20,298	1st	Duquesne Light Company	N/A	Colliers International/Pittsburgh
15 1601 Marys Ave	Northeast Pittsburgh	18,175	4th	Deeplocal	N/A	JLL
16 500 Commonwealth Dr	North Pittsburgh/Rte 19	18,000	2nd	Celtic Healthcare of Westmoreland County	JLL	JLL
17 Cardella Bldg	Greater Downtown	16,693	1st	Bentley Systems	JLL	Colliers International/Pittsburgh
18 Six PPG Place	CBD	16,359	3rd	Zurich Insurance Company	JLL	CBRE
19 290 Bilmor Dr	West Pittsburgh	16,349	2nd	N/A	N/A	SIG Investments
20 Foster Plaza V*	Parkway West Corridor	15,000	2nd	Green Tree Medical Associates	JLL	Foster Plaza Management
21 700 Maple Grove Rd	Washington County	15,000	2nd	JRGO	Hotel RV	PPM Realty
22 400 Lydia St	Parkway West Corridor	14,800	2nd	VBA	TARGUINCoRE LLC	NAI Pittsburgh
23 Riverfront Place	Greater Downtown	13,700	3rd	DCM	Direct Deal	Axison Young
24 Abbe Business Park - Bldg 500 Expansion	South Pittsburgh/I-79	12,859	1st	Wesley Spectrum	Direct Deal	Burns Scala Brokerage, LLC
25 Parkway Center - Building Seven - The Towers	South Pittsburgh/Rte 19	12,465	1st	H2R CPA	JLL	Grant Street Associates, Inc.
26 The Frick Building*	CBD	12,271	2nd	Ventyx, Inc.	JLL	CBRE
27 Penn Center West Three*	Parkway West Corridor	12,236	3rd	HICO America	N/A	N/A
28 300 Woodcliff Dr	Washington County	12,013	1st	Snc-Lavalin America, Inc.	N/A	Burns Scala Brokerage, LLC
29 Penn Center East I*	Parkway East Corridor	11,742	4th	Regus	N/A	N/A
30 West Penn Allegheny Health System*	North Pittsburgh/Rte 19	10,400	2nd	Allegheny Health Network	JLL	N/A
31 The ONS Building	Parkway West Corridor	10,249	1st	Ministry Brands	N/A	JLL
32 100 Industry Drive	Parkway West Corridor	10,000	1st	CH2M HILL	N/A	Newmark Knight Frank
33 One Gateway Center*	CBD	9,698	3rd	E. R. Munro and Company	Grant Street Associates, Inc.	Colliers International/Pittsburgh
34 Penn Center East I	Parkway East Corridor	9,139	1st	AmeriServ Loan Production	N/A	JLL
35 2130 Freepart Rd - ANCHOR ISLAND	Northeast Pittsburgh	8,600	1st	Westarm Physical Therapy	N/A	N/A
36 Social Security Office*	Beaver County	8,300	3rd	PA Social Security	JLL	Hanna Langholz Wilson Ellis
37 Stonewood East 400i	North Pittsburgh/Rte 19	7,598	2nd	TEP Management	N/A	Z-Mack Property Management
38 351 Harvey Ave*	Westmoreland County	7,500	1st	American Red Cross	JLL	Direct Deal
39 Nova Tower One	Greater Downtown	7,437	1st	Bahler Engineering	JLL	CBRE
40 Pannier Building	Greater Downtown	7,346	1st	AE Works Ltd.	JLL	Colliers International/Pittsburgh

Source: CoStar Property®

* Renewal

SUBLEASE VACANCY

The amount of vacant sublease space in the Pittsburgh market decreased to 399,602 square feet by the end of the fourth quarter 2017, from 508,516 square feet at the end of the third quarter 2017. There was 316,544 square feet vacant at the end of the second quarter 2017 and 297,398 square feet at the end of the first quarter 2017.

Pittsburgh's Class-A projects reported vacant sublease space of 342,216 square feet at the end of fourth quarter 2017, down from the 463,565 square feet reported at the end of the third quarter 2017. There were 284,739 square feet of sublease space vacant at the end of the second quarter 2017, and 232,718 square feet at the end of the first quarter 2017.

Class-B projects reported vacant sublease space of 55,786 square feet at the end of the fourth quarter 2017, up from the 41,951 square feet reported at the end of the third quarter 2017. At the end of the second quarter 2017 there were 28,805 square feet, and at the end of the first quarter 2017 there were 59,872 square feet vacant.

Class-C projects reported decreased vacant sublease space from the third quarter 2017 to the fourth quarter 2017. Sublease vacancy went from 3,000 square feet to 1,600 square feet during that time. There was 3,000 square feet at the end of the second quarter 2017, and 4,808 square feet at the end of the first quarter 2017.

Sublease vacancy in Pittsburgh's central business district stood at 23,796 square feet at the end of the fourth quarter 2017. It was 178,594 square feet at the end of the third quarter 2017, 184,007 square feet at the end of the second quarter 2017, and 130,763 square feet at the end of the first quarter 2017.

Sublease vacancy in the suburban markets ended the fourth quarter 2017 at 375,806 square feet. At the end of the third quarter 2017 sublease vacancy was 329,922 square feet, was 132,537 square feet at the end of the second quarter 2017, and was 166,635 square feet at the end of the first quarter 2017.

RENTAL RATES

The average quoted asking rental rate for available office space, all classes, was \$21.30 per square foot per year at the end of the fourth quarter 2017 in the Pittsburgh market area. This represented a 1.0% decrease in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$21.52 per square foot.

The average quoted rate within the Class-A sector was \$25.80 at the end of the fourth quarter 2017, while Class-B rates stood at \$19.99, and Class-C rates at \$15.39. At the end of the third quarter 2017, Class-A rates were \$25.99 per square foot, Class-B rates were \$20.03, and Class-C rates were \$15.39.

The average quoted asking rental rate in Pittsburgh's CBD was \$25.09 at the end of the fourth quarter 2017, and \$20.02 in the suburban markets. In the third quarter 2017, quoted rates were \$25.14 in the CBD and \$19.96 in the suburbs.

DELIVERIES AND CONSTRUCTION

During the fourth quarter 2017, three buildings totaling 174,611 square feet were completed in the Pittsburgh market area. This compares to four buildings totaling 182,223 square feet that were completed in the third quarter 2017, five buildings totaling 54,100 square feet completed in the second quarter 2017, and 113,341 square feet in two buildings completed in the first quarter 2017.

CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage						
Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
North Pittsburgh	3	227,787	33,000	14.5%	11,927	75,929
Greater Downtown	2	169,098	81,591	48.3%	28,471	84,549
Oakland	1	150,000	150,000	100.0%	34,516	150,000
Washington County	2	41,725	28,620	68.6%	16,301	20,862
South Pittsburgh	1	1,683	1,683	100.0%	10,393	1,683
Central Business District	0	0	0	0.0%	138,876	0
Monroeville	0	0	0	0.0%	19,299	0
Parkway East Corridor	0	0	0	0.0%	13,596	0
Parkway West Corridor	0	0	0	0.0%	25,586	0
Northeast Pittsburgh	0	0	0	0.0%	10,802	0
All Other	0	0	0	0.0%	10,520	0
Totals	0	590,293	294,894	50.0%	18,557	65,588

Source: CoStar Property®

There were 590,293 square feet of office space under construction at the end of the fourth quarter 2017. Some of the notable 2017 deliveries include: Pinewood Place, an 89,074-square-foot building that delivered in fourth quarter 2017.

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project							
Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	12	265,581	209,881	79.0%	\$22.52	45,537	220,044
50,000 SF - 99,999 SF	3	229,131	127,431	55.6%	\$0.00	0	229,131
100,000 SF - 249,999 SF	1	104,563	104,563	100.0%	\$0.00	0	104,563
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

Source: CoStar Property®

The largest project underway at the end of fourth quarter 2017, The Offices at 3 Crossings - Riverfront West, a 131,598-square-foot facility.

INVENTORY

Total office inventory in the Pittsburgh market area amounted to 130,273,089 square feet in 7,020 buildings as of the end of the fourth quarter 2017. The Class-A office sector consisted of 39,580,228 square feet in 227 projects. There were 2,313 Class-B buildings totaling 60,962,941 square feet, and the Class-C sector consisted of 29,729,920 square feet in 4,480 buildings. Within

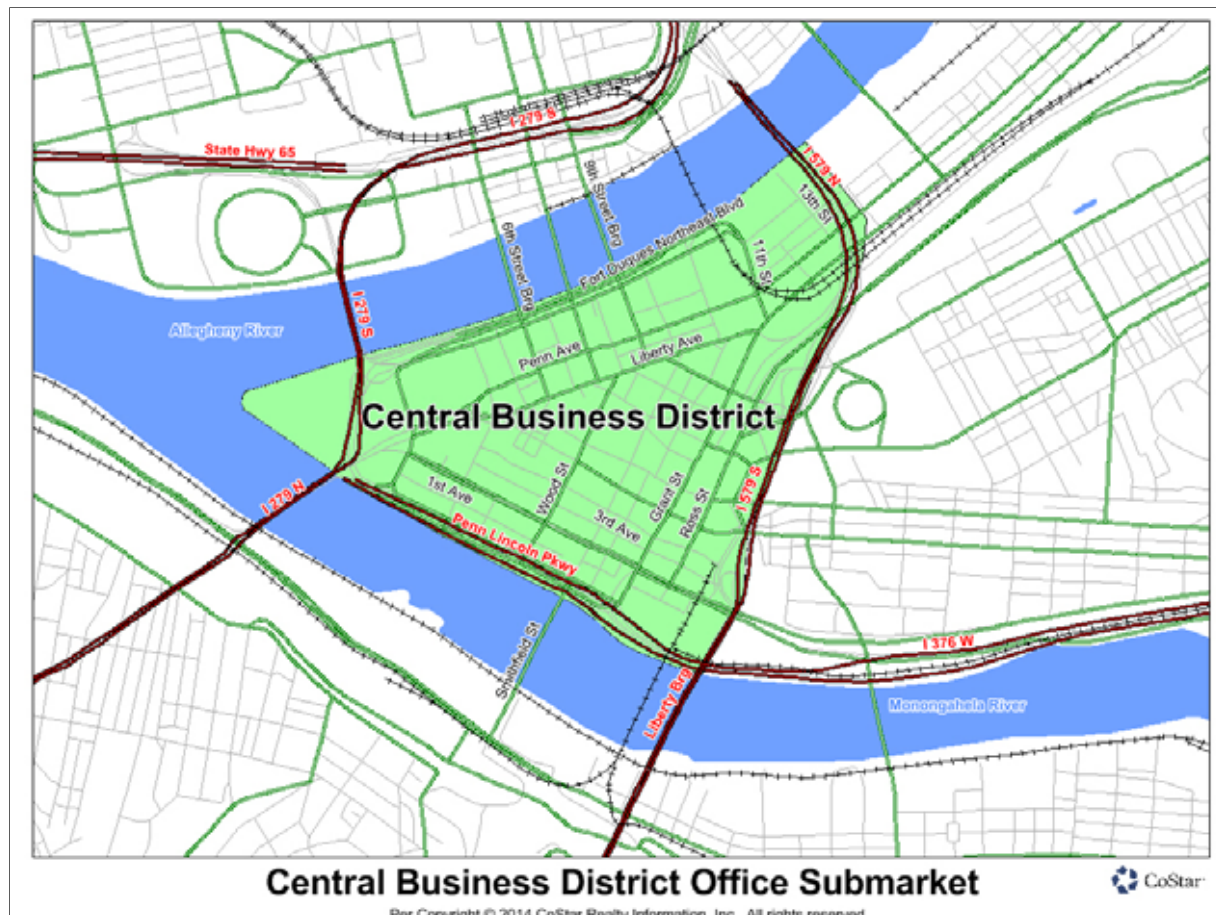
the Office market there were 225 owner-occupied buildings accounting for 5,438,173 square feet of office space.

SUMMARY

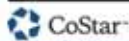
As evident, the Pittsburgh Office market has historically exhibited moderate vacancy, with vacancy rates ranging from 7.6% to 10.5% over the past ten years; vacancy rates have been under 8.6% since 2012. The current vacancy rate of 8.6% has ticked upward from prior quarters where it was at or below 8.0%. Despite modest vacancy, there are a number of projects under construction, and additions to the market are ongoing as space continues to be absorbed. Lease rates have remained relatively stable over the past few years, averaging around \$20.00 to \$21.50 per square foot. Net absorption has been positive for seven of the past ten quarters.

CENTRAL BUSINESS DISTRICT SUBMARKET

The subject is located within the Central Business District (CBD) submarket of the broader Pittsburgh office market as classified by CoStar Property Services. The CBD submarket primarily includes the downtown core. The following exhibits illustrate the pertinent statistics of the CBD submarket:



Pittsburgh - Year-End 2017



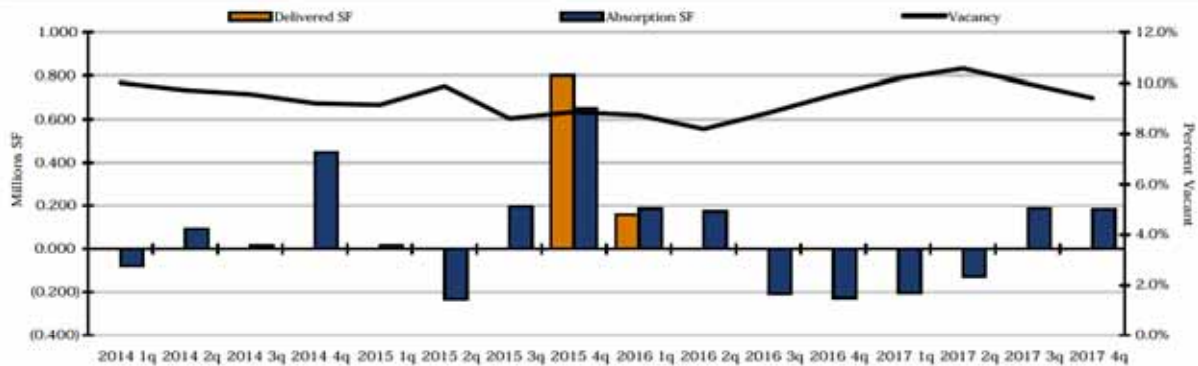
Pittsburgh Office Market

Central Business District Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

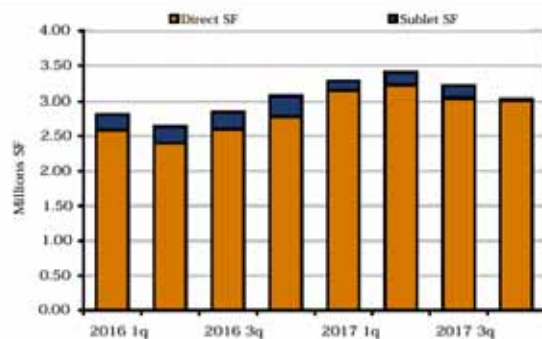
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

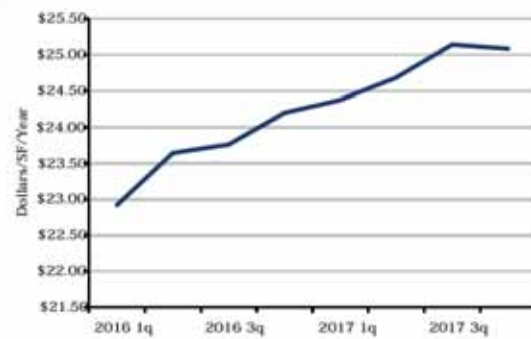
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	232	32,219,189	3,031,927	9.4%	184,632	0	0	0	0	\$25.09
2017 3q	232	32,219,189	3,216,559	10.0%	188,105	0	0	0	0	\$25.14
2017 2q	232	32,219,189	3,404,664	10.6%	(127,083)	0	0	0	0	\$24.68
2017 1q	232	32,219,189	3,277,581	10.2%	(203,840)	0	0	0	0	\$24.38
2016 4q	232	32,219,189	3,073,741	9.5%	(225,674)	0	0	0	0	\$24.21
2016 3q	232	32,219,189	2,848,067	8.8%	(207,087)	0	0	0	0	\$23.76
2016 2q	232	32,219,189	2,640,980	8.2%	174,343	0	0	0	0	\$23.65
2016 1q	232	32,219,189	2,815,323	8.7%	186,249	1	159,246	0	0	\$22.92
2015 4q	231	32,059,943	2,842,326	8.9%	650,759	1	800,000	1	159,246	\$22.37
2015 3q	230	31,259,943	2,693,085	8.6%	198,597	0	0	2	959,246	\$22.35
2015 2q	231	31,479,943	3,111,682	9.9%	(231,109)	0	0	2	959,246	\$22.38
2015 1q	231	31,479,943	2,880,573	9.2%	19,408	0	0	2	959,246	\$21.91
2014 4q	231	31,479,943	2,899,981	9.2%	446,731	0	0	2	959,246	\$21.82
2014 3q	230	31,109,300	2,976,069	9.6%	14,834	0	0	3	1,329,889	\$21.83
2014 2q	231	31,146,904	3,028,507	9.7%	92,747	0	0	3	1,329,889	\$21.92
2014 1q	231	31,146,904	3,121,254	10.0%	(76,958)	0	0	3	1,329,889	\$22.11

Source: CoStar Property®

The current vacancy rate within CBD submarket is 9.4%, which is a slight decrease from 10.0% from the prior quarter, and similar to overall vacancy rates over the past 1 to 2 years, indicating a relatively stable submarket cluster. Market rents have been on a gradual upward trend, despite the fluctuation in vacancy. Net absorption has also been positive for six of the past ten quarters, but has been negative for four consecutive quarters between 2016 and 2017. New additions to the office market inventory have been limited over the past few years as well.

The CBD submarket is the largest submarket in Pittsburgh in terms of net rentable area, comprising approximately 25% of the total office market. With 232 buildings comprising 32,219,189 square feet, the average building size is 138,876 square feet, the largest average among all Pittsburgh submarkets. The following chart depicts the current conditions of the CBD submarket based upon property class:

CBD Submarket	Existing Inventory			Vacancy		Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	%	
Class A Space	35	18,796,633	1,640,179	1,654,300	8.8%	\$30.41
Class B Space	110	11,661,968	1,317,342	1,327,017	11.4%	\$20.49
Class C Space	<u>87</u>	<u>1,760,588</u>	<u>50,610</u>	<u>50,610</u>	<u>2.9%</u>	<u>\$14.74</u>
Total	232	32,219,189	3,008,131	3,031,927	9.4%	\$25.09

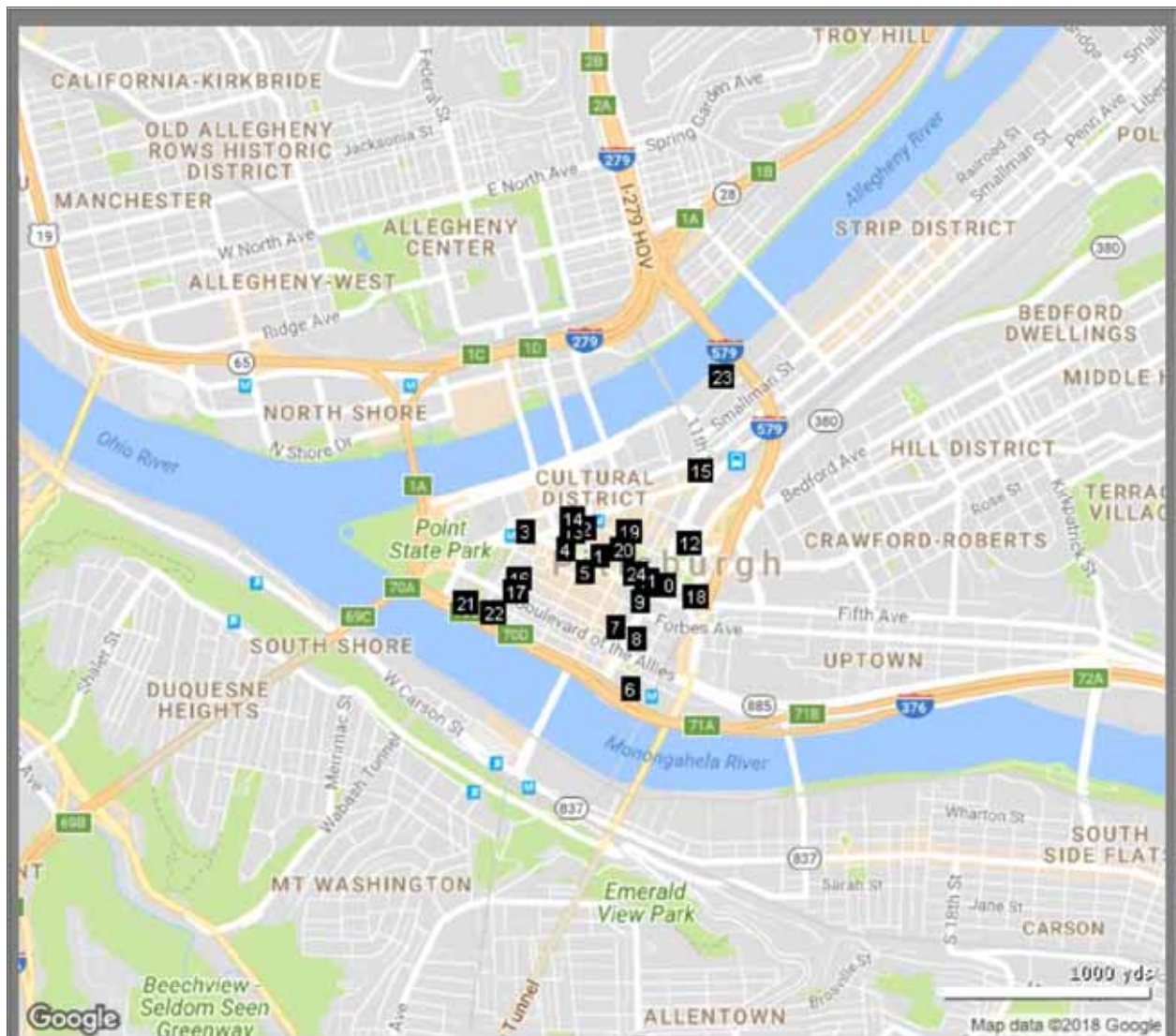
Source: Costar; 4th Quarter 2017

As evident, the largest concentration of space is within the Class A sector, where the average building size is 537,047 square feet. The highest vacancy rate is within the Class B sector which contains the most buildings. Class A average rental rates exceed \$30.00 per square foot, while Class B and C rents are appreciably lower. Overall, the CBD market indicates generally stable metrics, despite overall vacancy rates which are higher than the broader market average.

SUBMARKET ANALYSIS

The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property. The facility in aggregate contains a total net rentable office and retail area of approximately 1,469,936 square feet. In addition, the property contains two underground parking garages with capacities of 730 and 222 parking spaces. The property is currently 84.40% leased and occupied. Most of the tenants have conference facilities, and there is leasable tenant storage on the building lower levels. The buildings are all interconnected via a network of underground access tunnels. The subject buildings each contain between 320,429 and 425,648 rentable square feet.

Through the use of CoStar Property Services and other sources, we have identified 24 Class A office buildings within the CBD submarket considered to be reasonably competitive with the subject property. The buildings comprise mid to high rise, multi-tenanted, Class A office facilities ranging in size from 200,000 to 2,336,272 square feet. The properties are summarized on the following pages.



	Address	City	Property Type	Property Size	Space Avail	Rent/SF/Yr
1	301 5th Ave	Pittsburgh	Class A Office/Office/Residential	222,782 SF	8,538 SF	Withheld
2	210 6th Ave	Pittsburgh	Class A Office	637,231 SF	174,339 SF	\$24.50-\$29.50
3	120 Fifth Ave	Pittsburgh	Class A Office	735,939 SF	0 SF	-
4	225 Fifth Ave	Pittsburgh	Class A Office	320,000 SF	0 SF	-
5	300 Fifth Ave	Pittsburgh	Class A Office	800,000 SF	0 SF	-
6	500 First Ave	Pittsburgh	Class A Office	647,000 SF	0 SF	-
7	301 Grant St	Pittsburgh	Class A Office	1,011,000 SF	237,566 SF	\$35.00-\$36.00
8	310-330 Grant St	Pittsburgh	Class A Office	450,000 SF	26,083 SF	Withheld
9	437 Grant St	Pittsburgh	Class A Office	366,010 SF	81,025 SF	\$24.50-\$25.00
10	500 Grant St	Pittsburgh	Class A Office	1,632,511 SF	75,326 SF	\$32.50

	Address	City	Property Type	Property Size	Space Avail	Rent/SF/Yr
11	501 Grant St	Pittsburgh	Class A Office	546,202 SF	123,873 SF	\$29.50-\$32.50
12	600 Grant St	Pittsburgh	Class A Office	2,336,272 SF	128,411 SF	\$25.00-\$31.50
13	620 Liberty Ave	Pittsburgh	Class A Office	454,275 SF	0 SF	-
14	625 Liberty Ave	Pittsburgh	Class A Office	615,942 SF	66,748 SF	\$35.00
15	1001 Liberty Ave	Pittsburgh	Class A Office	532,000 SF	93,323 SF	\$33.50
16	1 PPG Pl	Pittsburgh	Class A Office	900,000 SF	40,887 SF	\$32.50
17	6 PPG Pl	Pittsburgh	Class A Office	289,997 SF	83,106 SF	\$29.50
18	500 Ross St	Pittsburgh	Class A Office	750,000 SF	0 SF	-
19	339-357 Sixth Ave	Pittsburgh	Class A Office	790,000 SF	15,209 SF	\$18.00
20	527-537 Smithfield St	Pittsburgh	Class A Office	468,000 SF	39,847 SF	Withheld
21	11 Stanwix St	Pittsburgh	Class A Office	467,843 SF	92,088 SF	\$30.50-\$32.50
22	20 Stanwix St	Pittsburgh	Class A Office	368,840 SF	139,850 SF	\$27.00-\$28.50
23	1251 Waterfront Pl	Pittsburgh	Class A Office	200,000 SF	0 SF	-
24	525 William Penn Pl	Pittsburgh	Class A Office	934,808 SF	612,687 SF	Withheld

Availability and Vacancy Building List

Building Address	Existing Rentable Bldg Area	Direct SF Vacant	Direct % Vacant	Total SF Vacant	Total % Vacant	Total SF Available	Direct SF Available	Sublet SF Available	Max SF Contig	Avg Rate
301 5th Ave	222,782	0	0.0%	0	0.0%	8,538	8,538	0	8,538	-
210 6th Ave	637,231	62,582	9.8%	62,582	9.8%	174,339	171,475	2,864	35,174	\$29.42/fs
120 Fifth Ave	735,939	0	0.0%	0	0.0%	0	0	0	0	-
225 Fifth Ave	320,000	0	0.0%	0	0.0%	0	0	0	0	-
300 Fifth Ave	800,000	0	0.0%	0	0.0%	0	0	0	0	-
500 First Ave	647,000	0	0.0%	0	0.0%	0	0	0	0	-
301 Grant St	1,011,000	200,229	19.8%	200,229	19.8%	237,566	232,566	0	78,445	\$35.03/fs
310-330 Grant St	450,000	33,027	7.3%	33,027	7.3%	26,083	26,083	0	5,619	-
437 Grant St	366,010	62,334	17.0%	64,416	17.6%	81,025	78,943	2,082	13,028	\$24.59/fs
500 Grant St	1,632,511	0	0.0%	0	0.0%	75,326	62,342	7,984	62,342	\$32.50/fs
501 Grant St	546,202	49,711	9.1%	61,750	11.3%	123,873	111,834	12,039	46,108	\$31.73/fs
600 Grant St	2,336,272	128,411	5.5%	128,411	5.5%	128,411	128,411	0	39,377	\$28.33/fs
620 Liberty Ave	454,275	0	0.0%	0	0.0%	0	0	0	0	-
625 Liberty Ave	615,942	33,412	5.4%	33,412	5.4%	66,748	66,748	0	20,339	\$35.00/fs
1001 Liberty Ave	532,000	84,688	15.9%	84,688	15.9%	93,323	93,323	0	38,749	\$33.50/fs
1 PPG Pl	900,000	33,180	3.7%	33,180	3.7%	40,887	40,887	0	13,000	\$32.50/fs
6 PPG Pl	289,997	62,366	21.5%	62,366	21.5%	83,106	66,106	17,000	42,782	\$29.50/fs
500 Ross St	750,000	0	0.0%	0	0.0%	0	0	0	0	-
339-357 Sixth Ave	790,000	15,209	1.9%	15,209	1.9%	15,209	15,209	0	7,877	-
527-537 Smithfield St	468,000	21,247	4.5%	21,247	4.5%	39,847	39,847	0	10,500	-
11 Stanwix St	467,843	38,674	8.3%	45,644	9.8%	92,088	60,607	31,481	21,933	\$31.59/fs
20 Stanwix St	368,840	133,554	36.2%	151,795	41.2%	139,850	139,850	0	139,850	\$27.99/fs
1251 Waterfront Pl	200,000	0	0.0%	0	0.0%	0	0	0	0	-
525 William Penn Pl	934,808	612,687	65.5%	612,687	65.5%	612,687	612,687	0	274,715	-
Grand Totals (24 Bldgs)	16,476,652	1,571,311	9.5%	1,610,643	9.8%	2,038,906	1,955,456	73,450	274,715	\$31.06/fs

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
301 5th Ave Piatt Place Pittsburgh, PA 15222 222,782 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	75,840	0	75,840	34.0%	0.0%	34.0%	75,840	0	75,840	34.0%	0.0%	34.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
210 6th Ave K&L Gates Center Pittsburgh, PA 15222 637,231 SF RBA	Current	62,582	0	62,582	9.8%	0.0%	9.8%	62,582	0	62,582	9.8%	0.0%	9.8%	\$29.42/fs	-	\$29.42/fs
	2017 4Q	19,325	0	19,325	3.0%	0.0%	3.0%	19,325	0	19,325	3.0%	0.0%	3.0%	\$29.42/fs	-	\$29.42/fs
	2017 3Q	41,377	74,004	115,381	6.5%	11.6%	18.1%	23,792	0	23,792	3.7%	0.0%	3.7%	\$28.80/fs	-	\$28.80/fs
	2017 2Q	38,532	74,004	112,536	6.0%	11.6%	17.7%	38,532	0	38,532	6.0%	0.0%	6.0%	\$29.50/fs	\$18.50/fs	\$21.22/fs
	2017 1Q	34,289	0	34,289	5.4%	0.0%	5.4%	34,289	0	34,289	5.4%	0.0%	5.4%	\$27.16/fs	\$18.50/fs	\$20.55/fs
	2016 4Q	34,289	0	34,289	5.4%	0.0%	5.4%	34,289	0	34,289	5.4%	0.0%	5.4%	\$27.16/fs	\$18.50/fs	\$21.94/fs
	2016 3Q	28,328	0	28,328	4.4%	0.0%	4.4%	28,328	0	28,328	4.4%	0.0%	4.4%	\$27.35/fs	\$18.50/fs	\$21.78/fs
	2016 2Q	28,328	0	28,328	4.4%	0.0%	4.4%	28,328	0	28,328	4.4%	0.0%	4.4%	\$27.02/fs	\$18.50/fs	\$21.38/fs
	2016 1Q	28,328	0	28,328	4.4%	0.0%	4.4%	28,328	0	28,328	4.4%	0.0%	4.4%	\$27.02/fs	\$19.50/fs	\$22.04/fs
	2015 4Q	28,328	0	28,328	4.4%	0.0%	4.4%	28,328	0	28,328	4.4%	0.0%	4.4%	\$27.12/fs	-	\$27.12/fs
	2015 3Q	28,328	0	28,328	4.4%	0.0%	4.4%	28,328	0	28,328	4.4%	0.0%	4.4%	\$25.65/fs	-	\$25.65/fs
	2015 2Q	29,690	0	29,690	4.7%	0.0%	4.7%	29,690	0	29,690	4.7%	0.0%	4.7%	\$25.05/fs	-	\$25.05/fs
120 Fifth Ave Fifth Avenue Place Pittsburgh, PA 15222 735,939 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2017 2Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2017 1Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2016 4Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2016 3Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2016 2Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2016 1Q	2,847	0	2,847	0.4%	0.0%	0.4%	2,847	0	2,847	0.4%	0.0%	0.4%	-	-	-
	2015 4Q	3,052	0	3,052	0.4%	0.0%	0.4%	3,052	0	3,052	0.4%	0.0%	0.4%	-	-	-
	2015 3Q	3,052	0	3,052	0.4%	0.0%	0.4%	3,052	0	3,052	0.4%	0.0%	0.4%	-	-	-
	2015 2Q	3,052	0	3,052	0.4%	0.0%	0.4%	3,052	0	3,052	0.4%	0.0%	0.4%	-	-	-

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
225 Fifth Ave Reed Smith Centre Pittsburgh, PA 15222 320,000 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
300 Fifth Ave The Tower at PNC Plaza Pittsburgh, PA 15222 800,000 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	2,100	0	2,100	0.3%	0.0%	0.3%	2,100	0	2,100	0.3%	0.0%	0.3%	-	-	-
	2015 3Q	0	0	0	-	-	-	0	0	0	-	-	-	-	-	-
	2015 2Q	0	0	0	-	-	-	0	0	0	-	-	-	-	-	-
500 First Ave PNC Firstside Center Pittsburgh, PA 15219 647,000 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
301 Grant St One Oxford Centre Pittsburgh, PA 15219 1,011,000 SF RBA	Current	200,229	0	200,229	19.8%	0.0%	19.8%	200,229	0	200,229	19.8%	0.0%	19.8%	\$35.03/fs	-	\$35.03/fs
	2017 4Q	174,236	0	174,236	17.2%	0.0%	17.2%	174,236	0	174,236	17.2%	0.0%	17.2%	\$35.03/fs	-	\$35.03/fs
	2017 3Q	206,075	0	206,075	20.4%	0.0%	20.4%	197,365	0	197,365	19.5%	0.0%	19.5%	\$35.03/fs	-	\$35.03/fs
	2017 2Q	227,316	0	227,316	22.5%	0.0%	22.5%	195,702	0	195,702	19.4%	0.0%	19.4%	\$35.04/fs	-	\$35.04/fs
	2017 1Q	233,287	0	233,287	23.1%	0.0%	23.1%	181,932	0	181,932	18.0%	0.0%	18.0%	\$35.08/fs	-	\$35.08/fs
	2016 4Q	221,858	0	221,858	21.9%	0.0%	21.9%	221,858	0	221,858	21.9%	0.0%	21.9%	\$34.50/fs	-	\$34.50/fs
	2016 3Q	199,441	0	199,441	19.7%	0.0%	19.7%	199,441	0	199,441	19.7%	0.0%	19.7%	\$34.50/fs	-	\$34.50/fs
	2016 2Q	199,106	0	199,106	19.7%	0.0%	19.7%	199,106	0	199,106	19.7%	0.0%	19.7%	\$34.50/fs	-	\$34.50/fs
	2016 1Q	199,106	0	199,106	19.7%	0.0%	19.7%	199,106	0	199,106	19.7%	0.0%	19.7%	\$33.00/fs	-	\$33.00/fs
	2015 4Q	173,396	11,514	184,910	17.2%	1.1%	18.3%	173,396	11,514	184,910	17.2%	1.1%	18.3%	-	-	-
	2015 3Q	173,396	11,514	184,910	17.2%	1.1%	18.3%	173,396	11,514	184,910	17.2%	1.1%	18.3%	-	-	-
	2015 2Q	173,396	11,514	184,910	17.2%	1.1%	18.3%	173,396	11,514	184,910	17.2%	1.1%	18.3%	-	\$16.00/fs	\$16.00/fs
310-330 Grant St The Grant Bldg Pittsburgh, PA 15219 450,000 SF RBA	Current	33,027	0	33,027	7.3%	0.0%	7.3%	20,464	0	20,464	4.5%	0.0%	4.5%	-	-	-
	2017 4Q	34,907	0	34,907	7.8%	0.0%	7.8%	34,907	0	34,907	7.8%	0.0%	7.8%	-	-	-
	2017 3Q	40,035	0	40,035	8.9%	0.0%	8.9%	34,907	0	34,907	7.8%	0.0%	7.8%	-	-	-
	2017 2Q	49,018	0	49,018	10.9%	0.0%	10.9%	49,018	0	49,018	10.9%	0.0%	10.9%	-	-	-
	2017 1Q	49,018	0	49,018	10.9%	0.0%	10.9%	49,018	0	49,018	10.9%	0.0%	10.9%	-	-	-
	2016 4Q	47,711	0	47,711	10.6%	0.0%	10.6%	47,711	0	47,711	10.6%	0.0%	10.6%	-	-	-
	2016 3Q	49,407	0	49,407	11.0%	0.0%	11.0%	49,407	0	49,407	11.0%	0.0%	11.0%	-	-	-
	2016 2Q	50,789	0	50,789	11.3%	0.0%	11.3%	50,789	0	50,789	11.3%	0.0%	11.3%	\$23.97/fs	-	\$23.97/fs
	2016 1Q	49,226	0	49,226	10.9%	0.0%	10.9%	49,226	0	49,226	10.9%	0.0%	10.9%	\$23.97/fs	-	\$23.97/fs
	2015 4Q	47,984	0	47,984	10.7%	0.0%	10.7%	47,984	0	47,984	10.7%	0.0%	10.7%	\$23.97/fs	-	\$23.97/fs
	2015 3Q	30,017	0	30,017	6.7%	0.0%	6.7%	30,017	0	30,017	6.7%	0.0%	6.7%	\$23.97/fs	-	\$23.97/fs
	2015 2Q	39,586	0	39,586	8.8%	0.0%	8.8%	34,716	0	34,716	7.7%	0.0%	7.7%	\$23.92/fs	-	\$23.92/fs
437 Grant St The Frick Building Pittsburgh, PA 15219 366,010 SF RBA	Current	62,334	2,082	64,416	17.0%	0.6%	17.6%	62,334	2,082	64,416	17.0%	0.6%	17.6%	\$24.59/fs	-	\$24.59/fs
	2017 4Q	53,386	2,082	55,468	14.6%	0.6%	15.2%	53,386	2,082	55,468	14.6%	0.6%	15.2%	\$24.50/fs	-	\$24.50/fs
	2017 3Q	42,646	2,082	44,728	11.7%	0.6%	12.2%	42,646	2,082	44,728	11.7%	0.6%	12.2%	\$25.00/fs	-	\$25.00/fs
	2017 2Q	36,948	2,082	39,030	10.1%	0.6%	10.7%	36,948	2,082	39,030	10.1%	0.6%	10.7%	\$25.00/fs	-	\$25.00/fs
	2017 1Q	34,380	0	34,380	9.4%	0.0%	9.4%	31,261	0	31,261	8.5%	0.0%	8.5%	\$25.22/fs	-	\$25.22/fs
	2016 4Q	29,292	0	29,292	8.0%	0.0%	8.0%	29,292	0	29,292	8.0%	0.0%	8.0%	\$25.00/fs	-	\$25.00/fs
	2016 3Q	29,292	0	29,292	8.0%	0.0%	8.0%	29,292	0	29,292	8.0%	0.0%	8.0%	\$25.00/fs	-	\$25.00/fs
	2016 2Q	29,725	0	29,725	8.1%	0.0%	8.1%	29,725	0	29,725	8.1%	0.0%	8.1%	\$25.17/fs	-	\$25.17/fs
	2016 1Q	29,725	0	29,725	8.1%	0.0%	8.1%	29,725	0	29,725	8.1%	0.0%	8.1%	\$25.17/fs	-	\$25.17/fs
	2015 4Q	29,725	0	29,725	8.1%	0.0%	8.1%	29,725	0	29,725	8.1%	0.0%	8.1%	\$24.34/fs	-	\$24.34/fs
	2015 3Q	29,725	0	29,725	8.1%	0.0%	8.1%	29,725	0	29,725	8.1%	0.0%	8.1%	\$24.34/fs	-	\$24.34/fs
	2015 2Q	29,725	0	29,725	8.1%	0.0%	8.1%	29,725	0	29,725	8.1%	0.0%	8.1%	\$24.30/fs	-	\$24.30/fs

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
500 Grant St BNY Mellon Center Pittsburgh, PA 15219 1,632,511 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$32.50/fs	-	\$32.50/fs
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$32.50/fs	-	\$32.50/fs
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$32.50/fs	-	\$32.50/fs
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$33.00/fs	-	\$33.00/fs
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$33.00/fs	-	\$33.00/fs
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$33.00/fs	-	\$33.00/fs
	2015 2Q	11,103	0	11,103	0.7%	0.0%	0.7%	0	0	0	0.0%	0.0%	0.0%	\$33.00/fs	-	\$33.00/fs
501 Grant St Union Trust Building Pittsburgh, PA 15219 546,202 SF RBA	Current	49,711	12,039	61,750	9.1%	2.2%	11.3%	49,711	12,039	61,750	9.1%	2.2%	11.3%	\$31.73/fs	-	\$31.73/fs
	2017 4Q	49,711	12,039	61,750	9.1%	2.2%	11.3%	49,711	12,039	61,750	9.1%	2.2%	11.3%	\$31.73/fs	-	\$31.73/fs
	2017 3Q	90,502	92,011	182,513	16.6%	16.8%	33.4%	90,502	92,011	182,513	16.6%	16.8%	33.4%	\$29.50/fs	-	\$29.50/fs
	2017 2Q	136,592	92,011	228,603	25.0%	16.8%	41.9%	90,502	92,011	182,513	16.6%	16.8%	33.4%	\$29.50/fs	-	\$29.50/fs
	2017 1Q	136,592	92,011	228,603	25.0%	16.8%	41.9%	90,502	92,011	182,513	16.6%	16.8%	33.4%	\$29.50/fs	-	\$29.50/fs
	2016 4Q	118,294	92,011	210,305	21.7%	16.8%	38.5%	72,204	92,011	164,215	13.2%	16.8%	30.1%	\$29.00/fs	-	\$29.00/fs
	2016 3Q	171,307	45,887	217,194	31.4%	8.4%	39.8%	114,854	45,887	160,741	21.0%	8.4%	29.4%	\$28.50/fs	-	\$28.50/fs
	2016 2Q	171,307	45,887	217,194	31.4%	8.4%	39.8%	114,854	45,887	160,741	21.0%	8.4%	29.4%	\$28.50/fs	-	\$28.50/fs
	2016 1Q	171,357	45,887	217,244	31.4%	8.4%	39.8%	171,357	45,887	217,244	31.4%	8.4%	39.8%	\$27.50/fs	-	\$27.50/fs
	2015 4Q	171,357	45,887	217,244	31.4%	8.4%	39.8%	171,357	45,887	217,244	31.4%	8.4%	39.8%	\$27.50/fs	-	\$27.50/fs
	2015 3Q	171,357	45,887	217,244	31.4%	8.4%	39.8%	171,357	45,887	217,244	31.4%	8.4%	39.8%	\$27.50/fs	-	\$27.50/fs
	2015 2Q	174,198	45,887	220,085	31.9%	8.4%	40.3%	174,198	45,887	220,085	31.9%	8.4%	40.3%	\$27.00/fs	-	\$27.00/fs
600 Grant St US Steel Tower Pittsburgh, PA 15219 2,336,272 SF RBA	Current	128,411	0	128,411	5.5%	0.0%	5.5%	128,411	0	128,411	5.5%	0.0%	5.5%	\$28.33/fs	-	\$28.33/fs
	2017 4Q	128,411	0	128,411	5.5%	0.0%	5.5%	128,411	0	128,411	5.5%	0.0%	5.5%	\$28.33/fs	-	\$28.33/fs
	2017 3Q	149,145	0	149,145	6.4%	0.0%	6.4%	147,760	0	147,760	6.3%	0.0%	6.3%	\$29.81/fs	-	\$29.81/fs
	2017 2Q	164,141	0	164,141	7.0%	0.0%	7.0%	149,145	0	149,145	6.4%	0.0%	6.4%	\$29.97/fs	-	\$29.97/fs
	2017 1Q	164,141	0	164,141	7.0%	0.0%	7.0%	164,141	0	164,141	7.0%	0.0%	7.0%	\$30.06/fs	-	\$30.06/fs
	2016 4Q	157,228	0	157,228	6.7%	0.0%	6.7%	157,228	0	157,228	6.7%	0.0%	6.7%	\$30.75/fs	-	\$30.75/fs
	2016 3Q	155,043	0	155,043	6.6%	0.0%	6.6%	155,043	0	155,043	6.6%	0.0%	6.6%	\$30.75/fs	-	\$30.75/fs
	2016 2Q	155,043	0	155,043	6.6%	0.0%	6.6%	155,043	0	155,043	6.6%	0.0%	6.6%	\$30.75/fs	-	\$30.75/fs
	2016 1Q	155,043	0	155,043	6.6%	0.0%	6.6%	155,043	0	155,043	6.6%	0.0%	6.6%	\$30.75/fs	-	\$30.75/fs
	2015 4Q	168,104	0	168,104	7.2%	0.0%	7.2%	139,978	0	139,978	6.0%	0.0%	6.0%	\$30.00/fs	-	\$30.00/fs
	2015 3Q	153,899	0	153,899	6.6%	0.0%	6.6%	148,911	0	148,911	6.4%	0.0%	6.4%	\$30.00/fs	-	\$30.00/fs
	2015 2Q	141,783	0	141,783	6.1%	0.0%	6.1%	141,783	0	141,783	6.1%	0.0%	6.1%	\$30.00/fs	-	\$30.00/fs

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
620 Liberty Ave Two PNC Plaza Pittsburgh, PA 15222 454,275 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
625 Liberty Ave EQT Plaza Pittsburgh, PA 15222 615,942 SF RBA	Current	33,412	0	33,412	5.4%	0.0%	5.4%	33,412	0	33,412	5.4%	0.0%	5.4%	\$35.00/fs	-	\$35.00/fs
	2017 4Q	22,685	0	22,685	3.7%	0.0%	3.7%	6,394	0	6,394	1.0%	0.0%	1.0%	\$35.00/fs	-	\$35.00/fs
	2017 3Q	32,582	0	32,582	5.3%	0.0%	5.3%	32,582	0	32,582	5.3%	0.0%	5.3%	\$35.00/fs	\$22.00/fs	\$33.33/fs
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$35.00/fs	\$22.00/fs	\$33.33/fs
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	\$35.00/fs	\$22.00/fs	\$33.33/fs
	2016 4Q	970	0	970	0.2%	0.0%	0.2%	970	0	970	0.2%	0.0%	0.2%	\$31.25/fs	\$22.00/fs	\$30.07/fs
	2016 3Q	5,224	0	5,224	0.8%	0.0%	0.8%	970	0	970	0.2%	0.0%	0.2%	\$31.25/fs	\$22.00/fs	\$30.16/fs
	2016 2Q	8,379	0	8,379	1.4%	0.0%	1.4%	5,224	0	5,224	0.8%	0.0%	0.8%	\$31.25/fs	\$22.00/fs	\$28.77/fs
	2016 1Q	8,379	0	8,379	1.4%	0.0%	1.4%	8,379	0	8,379	1.4%	0.0%	1.4%	\$31.25/fs	\$22.00/fs	\$28.77/fs
	2015 4Q	8,379	0	8,379	1.4%	0.0%	1.4%	8,379	0	8,379	1.4%	0.0%	1.4%	\$31.25/fs	\$22.00/fs	\$28.77/fs
	2015 3Q	8,379	0	8,379	1.4%	0.0%	1.4%	8,379	0	8,379	1.4%	0.0%	1.4%	\$31.25/fs	\$22.00/fs	\$28.77/fs
	2015 2Q	8,379	0	8,379	1.4%	0.0%	1.4%	8,379	0	8,379	1.4%	0.0%	1.4%	\$31.25/fs	\$22.00/fs	\$28.77/fs
1001 Liberty Ave Liberty Center Pittsburgh, PA 15222 532,000 SF RBA	Current	84,688	0	84,688	15.9%	0.0%	15.9%	83,281	0	83,281	15.7%	0.0%	15.7%	\$33.50/fs	-	\$33.50/fs
	2017 4Q	52,240	0	52,240	9.8%	0.0%	9.8%	52,240	0	52,240	9.8%	0.0%	9.8%	\$33.50/fs	-	\$33.50/fs
	2017 3Q	72,793	0	72,793	13.7%	0.0%	13.7%	72,793	0	72,793	13.7%	0.0%	13.7%	\$33.00/fs	-	\$33.00/fs
	2017 2Q	72,793	0	72,793	13.7%	0.0%	13.7%	72,793	0	72,793	13.7%	0.0%	13.7%	\$32.50/fs	-	\$32.50/fs
	2017 1Q	83,221	0	83,221	15.6%	0.0%	15.6%	75,756	0	75,756	14.2%	0.0%	14.2%	\$32.50/fs	-	\$32.50/fs
	2016 4Q	75,908	4,602	80,510	14.3%	0.9%	15.1%	75,908	4,602	80,510	14.3%	0.9%	15.1%	\$32.00/fs	\$23.00/fs	\$31.49/fs
	2016 3Q	77,858	4,602	82,460	14.6%	0.9%	15.5%	77,858	4,602	82,460	14.6%	0.9%	15.5%	\$32.00/fs	\$23.00/fs	\$31.49/fs
	2016 2Q	57,014	0	57,014	10.7%	0.0%	10.7%	57,014	0	57,014	10.7%	0.0%	10.7%	\$32.00/fs	-	\$32.00/fs
	2016 1Q	57,014	0	57,014	10.7%	0.0%	10.7%	57,014	0	57,014	10.7%	0.0%	10.7%	\$31.00/fs	-	\$31.00/fs
	2015 4Q	72,412	0	72,412	13.6%	0.0%	13.6%	57,014	0	57,014	10.7%	0.0%	10.7%	\$29.50/fs	-	\$29.50/fs
	2015 3Q	77,076	0	77,076	14.5%	0.0%	14.5%	57,014	0	57,014	10.7%	0.0%	10.7%	\$29.50/fs	-	\$29.50/fs
	2015 2Q	67,627	0	67,627	12.7%	0.0%	12.7%	67,627	0	67,627	12.7%	0.0%	12.7%	\$29.50/fs	-	\$29.50/fs

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
1 PPG PI One PPG Place Pittsburgh, PA 15222 900,000 SF RBA	Current	33,180	0	33,180	3.7%	0.0%	3.7%	33,180	0	33,180	3.7%	0.0%	3.7%	\$32.50/fs	-	\$32.50/fs
	2017 4Q	33,180	0	33,180	3.7%	0.0%	3.7%	33,180	0	33,180	3.7%	0.0%	3.7%	\$32.50/fs	-	\$32.50/fs
	2017 3Q	51,180	0	51,180	5.7%	0.0%	5.7%	51,180	0	51,180	5.7%	0.0%	5.7%	\$19.91/fs	-	\$19.91/fs
	2017 2Q	66,755	0	66,755	7.4%	0.0%	7.4%	51,180	0	51,180	5.7%	0.0%	5.7%	\$23.44/fs	-	\$23.44/fs
	2017 1Q	70,999	23,664	94,663	7.9%	2.6%	10.5%	55,999	0	55,999	6.2%	0.0%	6.2%	\$30.75/fs	-	\$30.75/fs
	2016 4Q	37,999	47,328	85,327	4.2%	5.3%	9.5%	37,999	47,328	85,327	4.2%	5.3%	9.5%	\$30.75/fs	-	\$30.75/fs
	2016 3Q	37,999	47,328	85,327	4.2%	5.3%	9.5%	37,999	47,328	85,327	4.2%	5.3%	9.5%	\$30.75/fs	-	\$30.75/fs
	2016 2Q	36,981	47,328	84,309	4.1%	5.3%	9.4%	28,185	47,328	75,513	3.1%	5.3%	8.4%	\$30.75/fs	-	\$30.75/fs
	2016 1Q	42,673	47,328	90,001	4.7%	5.3%	10.0%	23,337	47,328	70,665	2.6%	5.3%	7.9%	\$30.36/fs	-	\$30.36/fs
	2015 4Q	42,673	47,328	90,001	4.7%	5.3%	10.0%	42,673	47,328	90,001	4.7%	5.3%	10.0%	\$29.50/fs	-	\$29.50/fs
	2015 3Q	12,325	0	12,325	1.4%	0.0%	1.4%	1,931	0	1,931	0.2%	0.0%	0.2%	\$29.84/fs	-	\$29.84/fs
	2015 2Q	9,989	0	9,989	1.1%	0.0%	1.1%	9,989	0	9,989	1.1%	0.0%	1.1%	\$29.92/fs	-	\$29.92/fs
6 PPG PI Six PPG Place Pittsburgh, PA 15222 289,997 SF RBA	Current	62,366	0	62,366	21.5%	0.0%	21.5%	62,366	0	62,366	21.5%	0.0%	21.5%	\$29.50/fs	-	\$29.50/fs
	2017 4Q	65,959	0	65,959	22.7%	0.0%	22.7%	65,959	0	65,959	22.7%	0.0%	22.7%	\$29.50/fs	-	\$29.50/fs
	2017 3Q	65,959	0	65,959	22.7%	0.0%	22.7%	65,959	0	65,959	22.7%	0.0%	22.7%	\$29.50/fs	-	\$29.50/fs
	2017 2Q	65,959	3,740	69,699	22.7%	1.3%	24.0%	65,959	3,740	69,699	22.7%	1.3%	24.0%	\$29.50/fs	\$16.00/fs	\$28.78/fs
	2017 1Q	105,941	3,740	109,681	36.5%	1.3%	37.8%	65,707	3,740	69,447	22.7%	1.3%	23.9%	\$29.09/fs	-	\$29.09/fs
	2016 4Q	113,424	3,740	117,164	39.1%	1.3%	40.4%	113,424	3,740	117,164	39.1%	1.3%	40.4%	\$28.50/fs	-	\$28.50/fs
	2016 3Q	113,424	3,740	117,164	39.1%	1.3%	40.4%	113,424	3,740	117,164	39.1%	1.3%	40.4%	\$28.50/fs	-	\$28.50/fs
	2016 2Q	113,424	0	113,424	39.1%	0.0%	39.1%	113,424	0	113,424	39.1%	0.0%	39.1%	\$28.50/fs	-	\$28.50/fs
	2016 1Q	113,424	0	113,424	39.1%	0.0%	39.1%	113,424	0	113,424	39.1%	0.0%	39.1%	\$28.50/fs	-	\$28.50/fs
	2015 4Q	105,855	0	105,855	36.5%	0.0%	36.5%	105,855	0	105,855	36.5%	0.0%	36.5%	\$28.00/fs	-	\$28.00/fs
	2015 3Q	3,058	0	3,058	1.1%	0.0%	1.1%	3,058	0	3,058	1.1%	0.0%	1.1%	\$27.50/fs	-	\$27.50/fs
	2015 2Q	3,058	0	3,058	1.1%	0.0%	1.1%	3,058	0	3,058	1.1%	0.0%	1.1%	\$27.50/fs	-	\$27.50/fs
500 Ross St Four Mellon Bank Center Pittsburgh, PA 15219 750,000 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
339-357 Sixth Ave Heinz 57 Center Pittsburgh, PA 15222 790,000 SF RBA	Current	15,209	0	15,209	1.9%	0.0%	1.9%	15,209	0	15,209	1.9%	0.0%	1.9%	-	-	-
	2017 4Q	7,877	0	7,877	1.0%	0.0%	1.0%	7,877	0	7,877	1.0%	0.0%	1.0%	-	-	-
	2017 3Q	16,473	0	16,473	2.1%	0.0%	2.1%	7,877	0	7,877	1.0%	0.0%	1.0%	-	-	-
	2017 2Q	7,877	0	7,877	1.0%	0.0%	1.0%	7,877	0	7,877	1.0%	0.0%	1.0%	-	-	-
	2017 1Q	7,877	0	7,877	1.0%	0.0%	1.0%	7,877	0	7,877	1.0%	0.0%	1.0%	-	-	-
	2016 4Q	7,877	140,852	148,729	1.0%	17.8%	18.8%	7,877	46,839	54,716	1.0%	5.9%	6.9%	-	-	-
	2016 3Q	7,877	140,852	148,729	1.0%	17.8%	18.8%	7,877	46,839	54,716	1.0%	5.9%	6.9%	-	-	-
	2016 2Q	7,877	140,852	148,729	1.0%	17.8%	18.8%	7,877	140,852	148,729	1.0%	17.8%	18.8%	\$22.00/fs	-	\$22.00/fs
	2016 1Q	7,877	140,852	148,729	1.0%	17.8%	18.8%	7,877	140,852	148,729	1.0%	17.8%	18.8%	\$22.00/fs	-	\$22.00/fs
	2015 4Q	7,877	169,576	177,453	1.0%	21.5%	22.5%	7,877	140,852	148,729	1.0%	17.8%	18.8%	\$22.00/fs	-	\$22.00/fs
	2015 3Q	7,877	169,576	177,453	1.0%	21.5%	22.5%	7,877	140,852	148,729	1.0%	17.8%	18.8%	\$22.00/fs	-	\$22.00/fs
	2015 2Q	7,877	169,576	177,453	1.0%	21.5%	22.5%	7,877	169,576	177,453	1.0%	21.5%	22.5%	\$22.00/fs	-	\$22.00/fs
527-537 Smithfield St The Oliver Building Pittsburgh, PA 15222 468,000 SF RBA	Current	21,247	0	21,247	4.5%	0.0%	4.5%	21,247	0	21,247	4.5%	0.0%	4.5%	-	-	-
	2017 4Q	11,542	0	11,542	2.5%	0.0%	2.5%	11,542	0	11,542	2.5%	0.0%	2.5%	-	-	-
	2017 3Q	11,542	0	11,542	2.5%	0.0%	2.5%	11,542	0	11,542	2.5%	0.0%	2.5%	-	-	-
	2017 2Q	26,104	0	26,104	5.6%	0.0%	5.6%	11,542	0	11,542	2.5%	0.0%	2.5%	-	-	-
	2017 1Q	42,074	0	42,074	9.0%	0.0%	9.0%	27,512	0	27,512	5.9%	0.0%	5.9%	-	-	-
	2016 4Q	27,512	0	27,512	5.9%	0.0%	5.9%	27,512	0	27,512	5.9%	0.0%	5.9%	-	-	-
	2016 3Q	43,512	0	43,512	9.3%	0.0%	9.3%	27,512	0	27,512	5.9%	0.0%	5.9%	-	-	-
	2016 2Q	4,762	0	4,762	1.0%	0.0%	1.0%	4,762	0	4,762	1.0%	0.0%	1.0%	\$22.50/fs	-	\$22.50/fs
	2016 1Q	4,762	0	4,762	1.0%	0.0%	1.0%	4,762	0	4,762	1.0%	0.0%	1.0%	\$22.50/fs	-	\$22.50/fs
	2015 4Q	2,000	0	2,000	0.4%	0.0%	0.4%	2,000	0	2,000	0.4%	0.0%	0.4%	\$22.50/fs	-	\$22.50/fs
	2015 3Q	650	0	650	0.1%	0.0%	0.1%	650	0	650	0.1%	0.0%	0.1%	\$22.50/fs	-	\$22.50/fs
	2015 2Q	650	0	650	0.1%	0.0%	0.1%	650	0	650	0.1%	0.0%	0.1%	\$22.50/fs	-	\$22.50/fs
11 Stanwix St Pittsburgh, PA 15222 467,843 SF RBA	Current	38,674	6,970	45,644	8.3%	1.5%	9.8%	38,674	0	38,674	8.3%	0.0%	8.3%	\$31.59/fs	-	\$31.59/fs
	2017 4Q	38,674	0	38,674	8.3%	0.0%	8.3%	38,674	0	38,674	8.3%	0.0%	8.3%	\$31.04/fs	-	\$31.04/fs
	2017 3Q	64,233	0	64,233	13.7%	0.0%	13.7%	64,233	0	64,233	13.7%	0.0%	13.7%	\$29.99/fs	-	\$29.99/fs
	2017 2Q	64,233	11,348	75,581	13.7%	2.4%	16.2%	64,233	11,348	75,581	13.7%	2.4%	16.2%	\$29.99/fs	\$19.00/fs	\$28.34/fs
	2017 1Q	64,233	11,348	75,581	13.7%	2.4%	16.2%	64,233	11,348	75,581	13.7%	2.4%	16.2%	\$29.99/fs	\$19.00/fs	\$28.34/fs
	2016 4Q	62,661	0	62,661	13.4%	0.0%	13.4%	62,661	0	62,661	13.4%	0.0%	13.4%	\$28.90/fs	-	\$28.90/fs
	2016 3Q	62,661	0	62,661	13.4%	0.0%	13.4%	62,661	0	62,661	13.4%	0.0%	13.4%	\$28.90/fs	-	\$28.90/fs
	2016 2Q	62,661	0	62,661	13.4%	0.0%	13.4%	62,661	0	62,661	13.4%	0.0%	13.4%	\$28.73/fs	-	\$28.73/fs
	2016 1Q	99,514	0	99,514	21.3%	0.0%	21.3%	62,661	0	62,661	13.4%	0.0%	13.4%	\$28.71/fs	-	\$28.71/fs
	2015 4Q	104,014	0	104,014	22.2%	0.0%	22.2%	104,014	0	104,014	22.2%	0.0%	22.2%	\$28.71/fs	-	\$28.71/fs
	2015 3Q	104,014	0	104,014	22.2%	0.0%	22.2%	104,014	0	104,014	22.2%	0.0%	22.2%	\$28.71/fs	-	\$28.71/fs
	2015 2Q	104,014	0	104,014	22.2%	0.0%	22.2%	104,014	0	104,014	22.2%	0.0%	22.2%	\$28.71/fs	-	\$28.71/fs

Building Historical Vacancy Report

Building	Period	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
		Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
20 Stanwix St PNC Center Pittsburgh, PA 15222 368,840 SF RBA	Current	133,554	18,241	151,795	36.2%	4.9%	41.2%	122,446	0	122,446	33.2%	0.0%	33.2%	\$27.99/fs	-	\$27.99/fs
	2017 4Q	19,683	0	19,683	5.3%	0.0%	5.3%	19,683	0	19,683	5.3%	0.0%	5.3%	\$27.92/fs	-	\$27.92/fs
	2017 3Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$27.99/fs	-	\$27.99/fs
	2017 2Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$28.00/fs	-	\$28.00/fs
	2017 1Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$28.00/fs	-	\$28.00/fs
	2016 4Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$28.17/fs	-	\$28.17/fs
	2016 3Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$28.17/fs	-	\$28.17/fs
	2016 2Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$27.50/fs	-	\$27.50/fs
	2016 1Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$27.50/fs	-	\$27.50/fs
	2015 4Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$26.50/fs	-	\$26.50/fs
	2015 3Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$26.50/fs	-	\$26.50/fs
	2015 2Q	19,321	0	19,321	5.2%	0.0%	5.2%	19,321	0	19,321	5.2%	0.0%	5.2%	\$26.50/fs	-	\$26.50/fs
1251 Waterfront Pl Seagate Technology Building Pittsburgh, PA 15222 200,000 SF RBA	Current	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2017 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	-	-
	2016 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2016 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2016 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2016 1Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2015 4Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2015 3Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
	2015 2Q	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%	-	\$19.75/fs	\$19.75/fs
525 William Penn Pl Pittsburgh, PA 15219 934,808 SF RBA	Current	612,687	0	612,687	65.5%	0.0%	65.5%	612,687	0	612,687	65.5%	0.0%	65.5%	-	-	-
	2017 4Q	612,687	0	612,687	65.5%	0.0%	65.5%	612,687	0	612,687	65.5%	0.0%	65.5%	-	-	-
	2017 3Q	361,355	0	361,355	38.7%	0.0%	38.7%	361,355	0	361,355	38.7%	0.0%	38.7%	\$28.00/fs	-	\$28.00/fs
	2017 2Q	361,355	0	361,355	38.7%	0.0%	38.7%	361,355	0	361,355	38.7%	0.0%	38.7%	\$28.00/fs	-	\$28.00/fs
	2017 1Q	361,355	0	361,355	38.7%	0.0%	38.7%	361,355	0	361,355	38.7%	0.0%	38.7%	\$28.00/fs	-	\$28.00/fs
	2016 4Q	361,355	0	361,355	38.7%	0.0%	38.7%	361,355	0	361,355	38.7%	0.0%	38.7%	\$28.00/fs	-	\$28.00/fs
	2016 3Q	132,191	0	132,191	14.1%	0.0%	14.1%	132,191	0	132,191	14.1%	0.0%	14.1%	\$28.00/fs	-	\$28.00/fs
	2016 2Q	24,160	0	24,160	2.6%	0.0%	2.6%	24,160	0	24,160	2.6%	0.0%	2.6%	\$28.00/fs	-	\$28.00/fs
	2016 1Q	24,160	0	24,160	2.6%	0.0%	2.6%	24,160	0	24,160	2.6%	0.0%	2.6%	\$28.00/fs	-	\$28.00/fs
	2015 4Q	24,160	0	24,160	2.6%	0.0%	2.6%	24,160	0	24,160	2.6%	0.0%	2.6%	\$28.00/fs	-	\$28.00/fs
	2015 3Q	24,160	0	24,160	2.6%	0.0%	2.6%	24,160	0	24,160	2.6%	0.0%	2.6%	\$28.00/fs	-	\$28.00/fs
	2015 2Q	24,160	0	24,160	2.6%	0.0%	2.6%	24,160	0	24,160	2.6%	0.0%	2.6%	\$28.00/fs	-	\$28.00/fs

Building Historical Vacancy Report

Period	Properties	RBA	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
			Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Avg Rate
Current	24	16,476,652	1,571,311	39,332	1,610,643	9.5%	0.2%	9.8%	1,546,233	14,121	1,560,354	9.4%	0.1%	9.5%	\$31.06/fs	-	\$31.06/fs
2017 4Q	24	16,476,652	1,324,503	14,121	1,338,624	8.0%	0.1%	8.1%	1,308,212	14,121	1,322,333	7.9%	0.1%	8.0%	\$30.97/fs	-	\$30.97/fs
2017 3Q	24	16,476,652	1,343,905	168,097	1,512,002	8.2%	1.0%	9.2%	1,302,501	94,093	1,396,594	7.9%	0.6%	8.5%	\$29.87/fs	\$22.00/fs	\$29.84/fs
2017 2Q	24	16,476,652	1,339,791	183,185	1,522,976	8.1%	1.1%	9.2%	1,216,954	109,181	1,326,135	7.4%	0.7%	8.0%	\$29.67/fs	\$18.63/fs	\$28.64/fs
2017 1Q	24	16,476,652	1,409,575	130,763	1,540,338	8.6%	0.8%	9.3%	1,231,750	107,099	1,338,849	7.5%	0.7%	8.1%	\$30.02/fs	\$18.70/fs	\$29.04/fs
2016 4Q	24	16,476,652	1,318,546	288,533	1,607,079	8.0%	1.8%	9.8%	1,272,456	194,520	1,466,976	7.7%	1.2%	8.9%	\$29.61/fs	\$19.47/fs	\$28.62/fs
2016 3Q	24	16,476,652	1,135,732	242,409	1,378,141	6.9%	1.5%	8.4%	1,059,025	148,396	1,207,421	6.4%	0.9%	7.3%	\$29.87/fs	\$19.47/fs	\$28.67/fs
2016 2Q	24	16,476,652	971,724	234,067	1,205,791	5.9%	1.4%	7.3%	903,320	234,067	1,137,387	5.5%	1.4%	6.9%	\$29.21/fs	\$19.36/fs	\$28.07/fs
2016 1Q	24	16,476,652	1,012,756	234,067	1,246,823	6.1%	1.4%	7.6%	956,567	234,067	1,190,634	5.8%	1.4%	7.2%	\$28.85/fs	\$19.75/fs	\$27.86/fs
2015 4Q	24	16,476,652	1,010,737	274,305	1,285,042	6.1%	1.7%	7.8%	967,213	245,581	1,212,794	5.9%	1.5%	7.4%	\$27.88/fs	\$19.91/fs	\$27.25/fs
2015 3Q	24	16,476,652	846,634	226,977	1,073,611	5.1%	1.4%	6.5%	811,190	198,253	1,009,443	4.9%	1.2%	6.1%	\$27.84/fs	\$19.91/fs	\$27.21/fs
2015 2Q	24	16,476,652	847,608	226,977	1,074,585	5.1%	1.4%	6.5%	831,635	226,977	1,058,612	5.0%	1.4%	6.4%	\$27.52/fs	\$19.67/fs	\$26.86/fs

INVENTORY/VACANCY RATES

The preceding survey consists of 24 Class A buildings containing a total leasable area of 16,476,652 square feet. Buildings range in size from 200,000 to 2,336,272 square feet, with an average of 686,527 square feet. The properties within the competitive survey are all located within the Central Business District (CBD) submarket; most are post war high rise facilities.

As of the end of the fourth quarter 2017, the surveyed properties exhibited vacancy rates ranging from 0.0% to 65.5%, with an overall direct vacancy rate of 8.0%, a sublet vacancy rate of 0.1%, and a total vacancy rate of 8.1%. Vacancy rates within the survey have remained relatively consistent over the past 12 quarters, ranging between the current low of 6.5% and a high of 9.8%, although rates have trended upward. Historically, this submarket has retained similar occupancy rates to the broader market average, with a nominal degree of sublet space evident.

Of the 24 buildings surveyed, 9 were fully occupied as of the end of the fourth quarter 2017, while 7 other properties exhibited vacancy rates of 10.0% or less. Those properties that exhibited high vacancy rates (20% or more) total approximately 1,224,805 square feet, or fully 7.4% of the competitive market survey.

RENTAL RATES

Asking rents currently range from as low as \$20.00 to \$35.00± per square foot with an average of \$30.97 per square foot. Between the second quarter of 2015 and fourth quarter of 2017, average quarterly rental rates have consistently ranged from \$26.86 to \$30.97 per square foot. All buildings' quoted rents are gross plus electric (full service). Rents vary substantially depending upon the particular use and level of finish. We note that not all of the buildings within the subset provided or indicated rental rate information. The following table illustrates historical rental rates for the 24 building competitive set; all rates reported are full service:

	Direct Average Asking Rate	Sublet Average Asking Rate	Total Average Asking Rate
2017 Q4	\$30.97	N/A	\$30.97
2017 Q3	\$29.87	\$22.00	\$29.84
2017 Q2	\$29.67	\$18.63	\$28.64
2017 Q1	\$30.02	\$18.70	\$29.04
2016 Q4	\$29.61	\$19.47	\$28.62
2016 Q3	\$29.87	\$19.47	\$28.67
2016 Q2	\$29.21	\$19.36	\$28.07
2016 Q1	\$28.85	\$19.75	\$27.86
2015 Q4	\$27.88	\$19.91	\$27.25
2015 Q3	\$27.84	\$19.91	\$27.21
2015 Q2	\$27.52	\$19.67	\$26.86

Source: CoStar Property Services

NEW AND PROPOSED CONSTRUCTION

As noted in the Pittsburgh Office Market survey, there are currently 9 buildings under construction within the broader region totaling 590,293 square feet, while 3 buildings totaling 174,611 square feet were added to the total market inventory in the past quarter. Of the 9 buildings under construction, none are located within the downtown CBD submarket. Since 2013, only 2 buildings totaling 959,246 square feet have been added to the CBD inventory, which is indicative of a mature, built up urban submarket, with limited vacant land available suitable for additional office construction. Furthermore, market rental rates over the past several years have typically not been high enough to support speculative new office construction.

INVESTOR REQUIREMENTS

Based on national investor surveys, typical going-in capitalization rates for National Central Business District (CBD) office properties range from 3.50% to 8.00% with reported discount rates ranging from 5.50% to 9.00%.

THE SUBJECT'S COMPETITIVE POSITION

The key factors affecting the subject's competitive position are summarized as follows:

Location: The subject is located within the downtown Central Business District (CBD) submarket, the economic center of Pittsburgh which contains the majority of larger Class A facilities in the broader market. The property is located within the heart of the Golden Triangle and within a historic district. The property consists of 4 interconnected (underground tunnels) with adequate supportive parking. The subject building is well positioned near retail and entertainment services. Accessibility via area routes and highways, in addition to the PTA subway. Further, there is ample intercity bus service, and Amtrak has a station stop in downtown Pittsburgh at 1100 Liberty Avenue.

Functional Utility & Condition: The subject buildings were constructed between 1950 and 1962 and have been updated and well maintained; commensurate with typical Class A facilities in this market. The buildings provide very good functional utility for general or corporate office use, with large floorplates and quality amenities including on-site food services and garage parking. Overall, the subject's condition and functional utility are considered above-average. Upper floors typically have unobstructed views of the surrounding valleys and the rivers.

The subject competitive set of Class A properties exhibited average vacancy rates of 7.5% to 9.5% over the past several years, which is similar to the broader submarket average for Western Pennsylvania. As noted, there is limited new construction within the immediate market, it is anticipated that the existing space will be absorbed over time as market conditions improve going forward. Rental rates remain relatively high at or above \$28.00± per square foot for Class A product.

SUMMARY/CONCLUSION

The subject is a Class A office complex comprising 4 buildings within a prominent office submarket in Western Pennsylvania in downtown Pittsburgh. Accordingly, the submarket remains attractive to larger and smaller corporate and professional users and particularly government entities due to its

good transportation links, proximity to an educated labor pool and the proximity to area highways. The subject properties by virtue of their size, and location is considered competitive with most other buildings in the submarket in all major regards, and similar to or superior in most categories in terms of age/condition, amenities and location.

Overall, the supply of office space in Western Pennsylvania is expected to remain stable in the near term. New development will be driven by population increases, the availability of land and the areas good transportation links. However, current and historical trends suggest that speculative development has been limited and additions to supply have been nominal. Occupancy rates have fluctuated but have generally remained around 90.0% over the past several years, while rental rates have remained relatively constant. In conclusion, the subject area should remain a desirable office location for the foreseeable future.

PITTSBURGH RETAIL MARKET OVERVIEW

The subject buildings contain a relatively small degree of retail space, including bank branches and restaurant spaces. All retail spaces are generally at grade level, and most have street frontage and exposure. A brief synopsis of the greater Pittsburgh retail market is presented as follows:

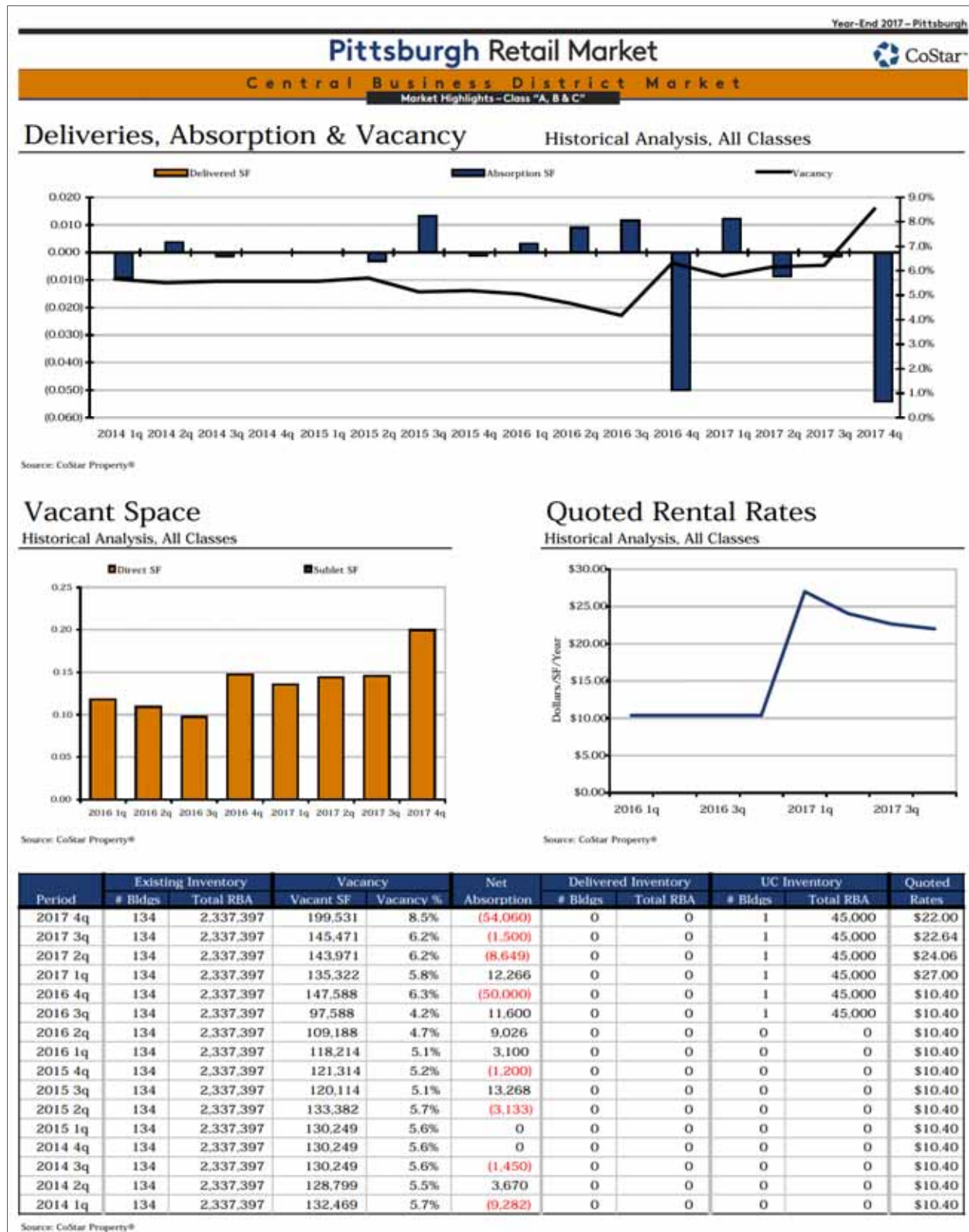
According to the **CoStar Property Services Fourth Quarter 2017 Pittsburgh** retail market report, the Pittsburgh retail market did not experience much change in market conditions in the fourth quarter 2017. The vacancy rate went from 2.9% in the previous quarter to 3.1% in the current quarter. Net absorption was negative (129,888) square feet, and vacant sublease space decreased by (18,307) square feet. Quoted rental rates increased from third quarter 2017 levels, ending at \$14.29 per square foot per year. A total of 12 retail buildings with 210,177 square feet of retail space were delivered to the market in the quarter, with 330,149 square feet still under construction at the end of the quarter.

Pittsburgh's retail vacancy rate increased in the fourth quarter 2017, ending the quarter at 3.1%. Over the past four quarters, the market has seen an overall increase in the vacancy rate, with the rate going from 2.8% in the first quarter 2017, to 2.6% at the end of the second quarter 2017, 2.9% at the end of the third quarter 2017, to 3.1% in the current quarter. The amount of vacant sublease space in the Pittsburgh market has trended down over the past four quarters. At the end of the first quarter 2017, there were 35,618 square feet of vacant sublease space. Currently, there are 35,011 square feet vacant in the market.

Average quoted asking rental rates in the Pittsburgh retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at \$14.29 per square foot per year. That compares to \$14.24 per square foot in the third quarter 2017, and \$12.92 per square foot at the end of the first quarter 2017. This represents a 0.4% increase in rental rates in the current quarter, and a 9.59% increase from four quarters ago.

The General Retail sector of the market, which includes all freestanding retail buildings, except those contained within a center, reported a vacancy rate of 2.6% at the end of fourth quarter 2017. There was a total of 2,068,357 square feet vacant at that time. The General Retail sector in Pittsburgh currently has average rental rates of \$14.10 per square foot per year. There are 272,759 square feet of space under construction in this sector, with 120,617 square feet having been completed in the fourth quarter. In all, there are a total of 12,768 buildings with 80,922,303 square feet of General Retail space in Pittsburgh.

The following exhibit illustrates historical and current retail statistics pertinent to the subject Central Business District (CBD) submarket:



SUMMARY

As evident, the CBD submarket comprises 2,337,397 square feet within 134 buildings, which is only 1.6% of the total Pittsburgh retail market. As of the fourth quarter 2017, the reported vacancy rate was 8.5%, an increase from the prior quarter level of 6.2%. Since the first quarter of 2014, vacancy rates have ranged from 4.2% to 8.5%. Average rental rates have remained consistent at around \$10.00 per square foot; however, the most recent quarter reports and average rent of \$22.00 per square foot. Net absorption has fluctuated from quarter to quarter as well, and there have been no additions to the market over the past several years, and there is only 1 building totaling 45,000 square feet which is under construction. In conclusion, the CBD retail submarket is a relatively small but stable area with no significant changes in performance over the past few years.

ZONING MAP



ZONING SUMMARY

The subject property (all three parcels) is situated within an GT-D; Golden Triangle Zone D zoning district amended by the City of Pittsburgh. The GT, Golden Triangle District is intended to:

1. Maintain and enhance the Golden Triangle as the economic and symbolic core of the region;
2. Support and develop commercial, office and cultural uses; and
3. Develop an attractive, pedestrian-oriented physical environment with a design quality that recognizes the Golden Triangle's regional significance.

GT District is further divided into the four (4) following zoning subdistrict classifications:

- GT-A, Golden Triangle Subdistrict A
- GT-B, Golden Triangle Subdistrict B
- GT-C, Golden Triangle Subdistrict C
- GT-D, Golden Triangle Subdistrict D
- GT-E, Golden Triangle Subdistrict E

The purposes of the GT-D Subdistrict area as follows:

- (a) To provide a zoning classification suitable for application to the Gateway Center Area in order to maintain and preserve the existing environmental characteristics;
- (b) To encourage new development to follow the pattern which has been established of predominantly office uses in high-rise structures with spacious park-like open area at ground level, commercial facilities to serve such development and some mixture of residential uses; and
- (c) To encourage development that will enhance the natural site advantages and at the same time preserve and complement advantages from other Golden Triangle and adjacent locations.

USE REGULATIONS – GT-D; GOLDEN TRIANGLE ZONE D

The provisions in this section apply to all GT Districts, unless otherwise stated.

1. Two family, three family and multi-family apartment units;
2. Assisted living facilities;
3. Multi-suite residential uses;
4. Art or music studios;

5. Public assembly, limited and general;
6. Banks and financial institutions;
7. Bed and breakfast;
8. Child care facilities;
9. Clubs, general and limited;
10. Community centers general and limited;
11. Cultural services, limited and general;
12. Educational classroom space;
13. Gaming enterprises;
14. Grocery stores;
15. Hospitals;
16. Hotels and motels;
17. Laboratory and research services;
18. Libraries;
19. Medical offices and clinics;
20. Office buildings;
21. Parks and recreation; recreation and entertainment;
22. Recycling collection stations;
23. Religious assembly;
24. Fast food restaurants and restaurants;
25. Retail sales and services;
26. Schools; vocational schools;
27. Utilities.

In addition, the GT-D; Golden Triangle Zone D zoning district allows a number of special exception uses, conditional uses and accessory uses.

BULK REQUIREMENTS – GT-D; GOLDEN TRIANGLE ZONE D

Site development standards within Zone D are summarized as follows:

(a) Minimum Lot Area Per Dwelling Unit

No more than one (1) dwelling unit or suite shall be permitted per one hundred ten (110) square feet of lot area in the GT-D Subdistrict.

(b) Floor Area Ratio

The maximum floor area ratio in the GT-D Subdistrict shall be seven and one-half (7.5).

(c) Urban Open Space

Urban Open Space shall be provided at ground level in an amount equal to at least sixty (60) percent of the lot area.

(d) Height

The following maximum height standards shall apply in the GT-D Subdistrict.

(1) Monongahela River Side

Structures or portions of structures shall not penetrate an inclined plane determined by straight lines connecting points one hundred eighty (180) feet above established street grade on Fort Pitt Boulevard and three hundred eighty-five (385) feet above street grade on Third Avenue calculated at the property lines.

(2) Allegheny River Side

Structures or portions of structures, other than those containing residential uses, shall not penetrate an inclined plane determined by straight lines connecting points one hundred eighty (180) feet above established street grade on Fort Duquesne Boulevard and four hundred fifty (450) feet above street grade on Liberty Avenue, calculated at the property lines. Those portions of structures containing residential uses only may penetrate this inclined plane providing that any portion of the new structure above the inclined plane achieve a minimum setback of twenty (20) feet from property lines along Fort Duquesne Boulevard but shall not penetrate a second inclined plane determined by straight lines connecting points two hundred fifty (250) feet above established street grade on Fort Duquesne Boulevard and four hundred fifty (450) feet above street grade on Liberty Avenue, calculated at the property lines.

PARKING REQUIREMENTS

For office uses, the zoning code stipulates 1 parking space for each 400 square feet of gross floor area over 2,400 square feet. If more than 150 spaces are required, the spaces must be structured (i.e. within a parking garage). For properties in the Downtown core, a reduction of 100% is

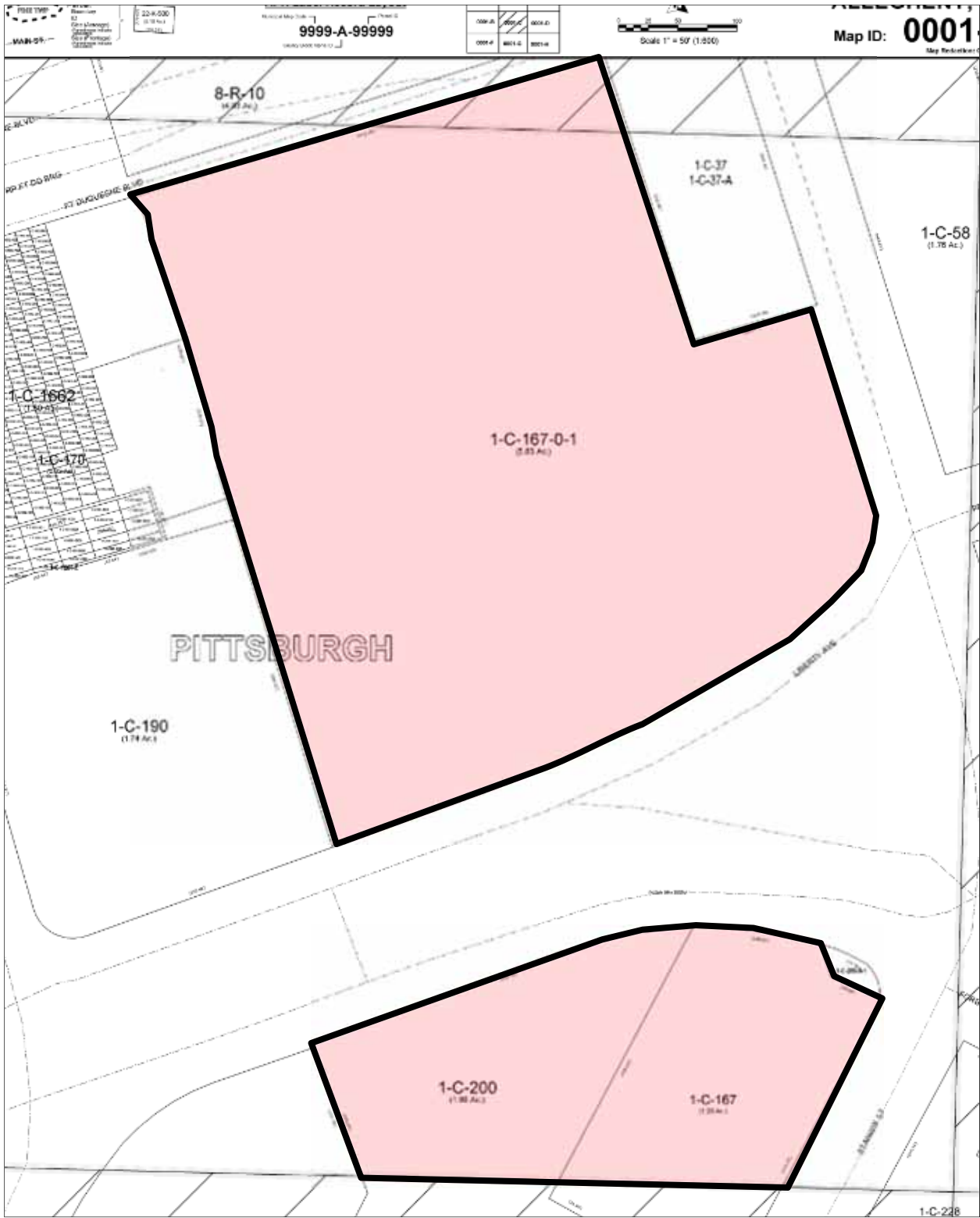
allowable; therefore, it is not contingent upon a development that parking be provided within this zone. The subject facility provides approximately 952 parking spaces, or 1 space for each 1,544 square feet of net rentable area.

SUMMARY OF ZONING

The subject property conforms to the use requirements of the existing GT-D; Golden Triangle Zone D zoning district and appears to be within the maximum allowable bulk floor area ratio. The subject buildings were constructed between 1952 and 1960, and predate the current zoning ordinance.

It should be noted that we are not experts in the interpretation of complex zoning ordinances, but the subject property appears to be a conforming use and bulk. The determination of compliance, however, is beyond the scope of a real estate appraisal. We know of no deed restrictions, private or public, that further limit the subject's use. The research required to determine whether or not such restrictions exist, however, is beyond the scope of this appraisal assignment.

TAX MAP LOCATION



ASSESSED VALUE AND REAL ESTATE TAXES

ASSESSMENTS

The subject property is located in the taxing district of the City of Pittsburgh in Allegheny County, Pennsylvania. The subject property comprises twenty-three tax parcels which are identified on the City assessors' tax roll as Parcel Numbers 0001-C-00167-0000-01, 0001-C-00167-0000-00 and 0001-C-0200-0000-00. The subject's current assessed values are presented in the following table:

No.	Tax ID #	Land	Assessment	
			Improvement	Total
1	0001-C-0167-0000-01	\$9,412,500	\$53,337,500	\$62,750,000
2	0001-C-0167-0000-00	\$1,987,500	\$20,012,500	\$22,000,000
3	0001-C-0200-0000-00	\$1,050,000	\$5,950,000	\$7,000,000
Totals		\$12,450,000	\$79,300,000	\$91,750,000

The first two tax parcels are classified as office buildings, while the third parcel is classified as a parking garage structure.

The values are for the property as it stood on January 1 of the current year. However, the assessed values are not to be interpreted as current market values. Allegheny County uses base year methodology. Allegheny County's current base year is 2012 with an effective date of value of January 1, 2012. Base Year values are subject to ongoing maintenance throughout the year. The above assessments reported are "2017 Full Base Year Market Value".

TAX RATES

For the subject property, four taxing districts are applicable: Allegheny County, City of Pittsburgh and School taxes, as well as a library tax. The applicable millage rates for the current year are indicated as follows:

<u>Jurisdiction</u>	<u>Millage Rate</u>
County Tax Rate	4.7300
School Tax Rate	9.8400
City Tax Rate	8.0600
Library Tax Rate	<u>0.2500</u>
Total	22.8800

REAL ESTATE TAXES

The subject projected real estate taxes are calculated on the following page. Tax payers receive a 2.0% discount if they pay the county real estate taxes by May 31, and city/school/library real estate taxes by February 10th.

			Assessment		Projected	Discounted
<u>Jurisdiction</u>	<u>Millage Rate</u>		<u>(Combined)</u>		<u>Tax Burden</u>	<u>Tax Burden</u>
County Tax Rate	4.7300	x	\$91,750,000	=	\$433,977.50	\$425,297.95
School Tax Rate	9.8400	x	\$91,750,000	=	\$902,820.00	\$884,763.60
City Tax Rate	8.0600	x	\$91,750,000	=	\$739,505.00	\$724,714.90
Library Tax Rate	<u>0.2500</u>	x	\$91,750,000	=	<u>\$22,937.50</u>	<u>\$22,478.75</u>
Total	22.8800				\$2,099,240	\$2,057,255

The subject property total tax burden for 2017/2018, assuming full assessment of all tax parcels, has been calculated to be \$2,099,240, or \$2,057,255 discounted by 2.0%. Given the amount of the tax burden, it is reasonable to assume that a business entity such as the subject (ownership) would take advantage of the available discount; we will therefore assume a real estate tax burden of \$2,057,255 for the upcoming year. This equates to \$1.40 per square foot of net rentable area, inclusive of the parking garage.

TAX COMPARABLES

Therefore, in order to test the reasonableness of the subject tax burden, we have researched the real estate tax burdens for other office buildings within the Pittsburgh market. The tax comparables are presented as follows:

OFFICE TAX COMPARABLES – CITY OF PITTSBURGH

No.	Address	Assessment	Total Taxes	Size (SF)	Taxes/SF
1	300 6th Avenue	\$18,581,700	\$416,646	242,224	\$1.72
2	249 5th Avenue	\$60,000,000	\$1,345,344	569,400	\$2.36
3	310 Grant Street	\$33,800,000	\$757,877	450,000	\$1.68
4	437 Grant Street	\$21,500,000	\$482,082	366,010	\$1.32
5	525 William Penn Place	\$55,250,000	\$2,502,958	934,808	\$2.68
6	501 Penn Avenue	\$48,000,000	\$557,559	546,202	\$1.02
Average					\$1.80

The tax comparables are all office buildings which indicate real estate taxes ranging from \$1.02 to \$2.68 per square foot, averaging \$1.80 per square foot. The subject's tax burden of \$1.40 per square foot is within the range of the tax comparables and therefore appears to be reasonably assessed.

BID TAXES

Business Improvement District or BID taxes are also payable. For the subject property, the BID tax amounts are as follows:

No.	Tax ID #	BID Taxes
1	0001-C-0167-0000-01	\$40,379
2	0001-C-0167-0000-00	\$14,157
3	0001-C-0200-0000-00	\$4,504
Totals		\$59,041

Real estate taxes are projected to increase by 3.0% per annum based upon historical rates. To the best of our knowledge, there are no real estate tax abatements or exemptions in place.

Total property real estate taxes and BID taxes are projected to be \$2,116,296. Ownership apportions the tax burden to each office property based upon its overall square footage. The projected apportionment for each subject building is indicated as follows:

Real Estate Taxes	Pro Rata %	Allocation
Building 1	23.02%	\$487,118
Building 2	22.03%	\$466,187
Building 3	25.18%	\$532,847
Building 4	29.78%	<u>\$630,143</u>
Total		\$2,116,296

SITE ANALYSIS

The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property.

Buildings One, Two and Three are situated on a 5.60-acre tax parcel comprising the eastern blockfront of Liberty Avenue, Stanwix Street and Fort Duquesne Boulevard, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 2 as parcel number 0001-C-00167-0000-01. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

Building Four is situated on a 1.25-acre tax parcel located on the southwest corner of Liberty Avenue and Stanwix Street, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 1 as parcel number 0001-C-00167-0000-00. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

The underground parking garage structure is situated on a 1.25-acre tax parcel located on the south side of Liberty Avenue, in the Central Business District office submarket of the City of Pittsburgh, Allegheny County, State of Pennsylvania. This site is identified on the City of Pittsburgh tax maps in Ward 1 as parcel number 0001-C-00200-0000-00. The property is situated within a GT-D; Golden Triangle, Zone D zoning district.

The particulars of the subject sites are briefly described as follows:

Address: 420 Fort Duquesne Boulevard – Building 1
 603 Stanwix Street – Building 2
 401 Liberty Avenue – Building 3
 444 Liberty Avenue – Building 4
 Liberty Avenue (garage)
 City of Pittsburgh, Allegheny County, Pennsylvania.

Legal Identification:

Building	Address	Parcel ID
One	420 Fort Duquesne Boulevard	0001-C-00167-0000-01
Two	603 Stanwix Street	0001-C-00167-0000-01
Three	401 Liberty Avenue	0001-C-00167-0000-01
Four	444 Liberty Avenue	0001-C-00167-0000-00
Garage	Liberty Avenue	0001-C-00200-0000-00

Total Site Size: 8.10 acres / 353,273 square feet

Shape: Irregularly shaped

Frontage:	Parcel 1-C-167-01 has extensive frontage along the north side of Liberty Avenue, south side of Fort Duquesne Boulevard and west side of Stanwix Street. Parcel 1-C-167-00 has frontage along the south side of Liberty Avenue and west side of Stanwix Street. Parcel 1-C-200-00 has extensive frontage along the south side of Liberty Avenue.
Topography:	The subject sites generally have level topography throughout, following the contours of the fronting streets; the southern portion of the parking garage site is gently sloped. .
Drainage:	Appears adequate.
Street Orientation:	Fort Duquesne Boulevard is a one way, multi-lane service highway that travels from west to east. Liberty Avenue is a multi-lane, divided thoroughfare which travels east-west. Stanwix Street is a bi-directional thoroughfare which travels north-south.
Surrounding Improvements:	Surrounding improvements generally consist of commercial properties including a hotel, mixed use office towers, municipal uses and some residential uses.
Site Improvements:	The sites are improved with all local utility hook-ups.
Off-site Improvements:	Streets are paved with asphalt and have macadam curbing; primary fronting street have concrete sidewalks. Streets are drained with catch basins emptying into the municipal sewer system. Streets are lit by means of local municipal highway department standards (i.e. via pole mounted lighting).
Flood Hazards:	The property is located within Zone X, other flood areas, which is outside a designated flood hazard area (500 years) according to Community Flood Panel 42003C0334H, dated September 26, 2014. Other flood areas include areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot with drainage areas less than 1 square mile, and areas protected by levees from 1% annual chance flood.
Environmental Issues:	We have not observed and are not qualified to detect, the existence of any potentially hazardous materials or underground storage tanks which may be present and have an effect on the value of the property. For the purpose of this assignment, we have specifically

assumed that the subject is not affected by any hazardous materials and/or underground storage tanks, which may be present on or near the property.

Utilities:

Water Supply:	Domestic water is supplied by the City of Pittsburgh (Pittsburgh Water and Sewer Authority).
Gas Service:	Gas service is supplied by various providers.
Telephone:	Provided by Verizon.
Electrical:	Electric service for downtown Pittsburgh is supplied by Dequense Light Company.

Easements:

The property is subject to a number of reciprocal easements for access (i.e. parking garage and underground tunnel system); Buildings 1, 2 and 3 are situated on the same tax parcel.

Conclusion:

The subject site sizes are adequate and their topography and configuration readily supports commercial use. The public utilities available to the sites include public water, electric, telephone, sewer, and gas service. The surrounding road frontages are asphalt paved and publicly maintained. The sites have good exposure and visibility. The sites have characteristics, both external and internal, that are functional and marketable within the local market area. The sites conform to neighboring standards in most respects.

SUBJECT PHOTOGRAPHS



GATEWAY CENTER



GATEWAY CENTER

SUBJECT PHOTOGRAPHS



GATEWAY CENTER



GATEWAY CENTER

SUBJECT PHOTOGRAPHS



ONE GATEWAY CENTER

SUBJECT PHOTOGRAPHS



TWO GATEWAY CENTER

SUBJECT PHOTOGRAPHS



THREE GATEWAY CENTER

SUBJECT PHOTOGRAPHS



FOUR GATEWAY CENTER

SUBJECT PHOTOGRAPHS



ONE GATEWAY CENTER



TWO GATEWAY CENTER

SUBJECT PHOTOGRAPHS



THREE GATEWAY ENTRANCE



FOUR GATEWAY ENTRANCE

SUBJECT PHOTOGRAPHS



PARKING GARAGE ENTRANCE



PARKING GARAGE ENTRANCE

SUBJECT PHOTOGRAPHS



LIBERTY AVENUE – VIEW EAST



LIBERTY AVENUE – VIEW WEST

SUBJECT PHOTOGRAPHS



LIBERTY AVENUE



LIBERTY AVENUE

SUBJECT PHOTOGRAPHS



STANWIX STREET – VIEW SOUTH

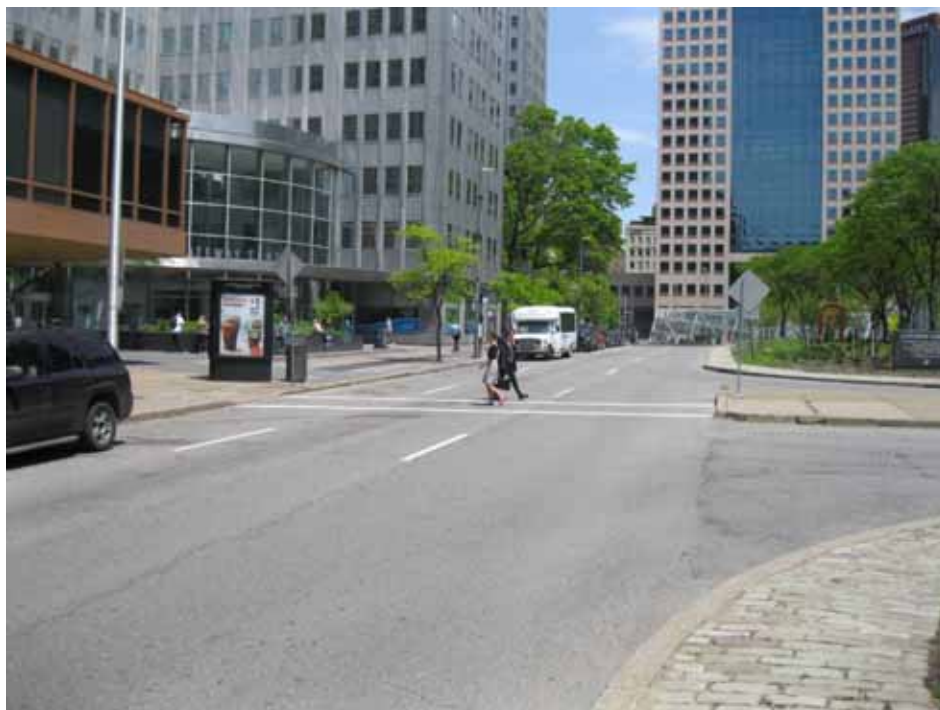


STANWIX STREET – VIEW SOUTH

SUBJECT PHOTOGRAPHS



STANWIX STREET – VIEW NORTH



PENN AVENUE EXTENSION

SUBJECT PHOTOGRAPHS



FORT DUQUESNE BOULEVARD – VIEW WEST



FORT DUQUESNE BOULEVARD – VIEW EAST

SUBJECT PHOTOGRAPHS



ONE GATEWAY CENTER LOBBY



ONE GATEWAY CENTER LOBBY

SUBJECT PHOTOGRAPHS



TWO GATEWAY CENTER LOBBY



TWO GATEWAY CENTER LOBBY

SUBJECT PHOTOGRAPHS



THREE GATEWAY CENTER LOBBY



THREE GATEWAY CENTER LOBBY

SUBJECT PHOTOGRAPHS



FOUR GATEWAY CENTER LOBBY



FOUR GATEWAY CENTER LOBBY

SUBJECT PHOTOGRAPHS



TYPICAL ELEVATOR BANKS (BUILDING TWO)



ELEVATOR BANKS – BUILDING FOUR

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE SPACE



TYPICAL OFFICE SPACE

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE SPACE



TYPICAL OFFICE SPACE

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE SPACE



TYPICAL OFFICE SPACE

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE SPACE



TYPICAL OFFICE SPACE

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE SPACE – UNFINISHED



TYPICAL OFFICE SPACE – UNFINISHED

SUBJECT PHOTOGRAPHS



TYPICAL CONFERENCE ROOM



TYPICAL CONFERENCE ROOM

SUBJECT PHOTOGRAPHS



TYPICAL EMPLOYEE LOUNGE / BREAK ROOM



TYPICAL EMPLOYEE LOUNGE / BREAK ROOM

SUBJECT PHOTOGRAPHS



TYPICAL RESTROOM



TYPICAL RESTROOM

SUBJECT PHOTOGRAPHS



TYPICAL OFFICE CORRIDOR



TYPICAL OFFICE CORRIDOR

SUBJECT PHOTOGRAPHS



RETAIL SPACE



RETAIL SPACE

SUBJECT PHOTOGRAPHS



RETAIL SPACE



RETAIL SPACE

SUBJECT PHOTOGRAPHS



RETAIL SPACE (RESTAURANT)



RETAIL SPACE (RESTAURANT)

SUBJECT PHOTOGRAPHS



BANK BRANCH



BANK BRANCH

SUBJECT PHOTOGRAPHS



INTERIOR COURTYARD



INTERIOR COURTYARD

SUBJECT PHOTOGRAPHS



INTERIOR COURTYARD



INTERIOR COURTYARD (FOUNTAIN)

SUBJECT PHOTOGRAPHS



PARKING GARAGE



PARKING GARAGE

SUBJECT PHOTOGRAPHS



PARKING GARAGE



PARKING GARAGE

SUBJECT PHOTOGRAPHS



CAFETERIA



CAFETERIA

SUBJECT PHOTOGRAPHS



UNDERGROUND TUNNEL



UNDERGROUND TUNNEL

SUBJECT PHOTOGRAPHS



ELECTRICAL



ELECTRICAL

SUBJECT PHOTOGRAPHS



REFRIGERATION PLANT



REFRIGERATION PLANT

SUBJECT PHOTOGRAPHS



REFRIGERATION PLANT



REFRIGERATION PLANT

SUBJECT PHOTOGRAPHS



BOILER ROOM



BOILER ROOM

SUBJECT PHOTOGRAPHS



LOADING DOCK



BACK UP GENERATOR

SUBJECT PHOTOGRAPHS



TYPICAL ROOF MECHANICALS



TYPICAL ROOF MECHANICALS

SUBJECT PHOTOGRAPHS



TYPICAL ROOF MECHANICALS



TYPICAL ROOF MECHANICALS

SUBJECT PHOTOGRAPHS



TYPICAL ROOF



TYPICAL ROOF

SUBJECT PHOTOGRAPHS



TYPICAL ROOF



TYPICAL ROOF

SUBJECT PHOTOGRAPHS



TYPICAL ROOF



TYPICAL ROOF

SITE PLAN



BUILDING DESCRIPTION

The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property. The facility in aggregate contains a total net rentable office and retail area of approximately 1,469,936 square feet. In addition, the property contains two underground parking garages with capacities of 730 and 222 parking spaces. The property is currently 84.40% leased and occupied. Most of the tenants have conference facilities, and there is leasable tenant storage on the building lower levels. The buildings are all interconnected via a network of underground access tunnels. The following is a brief description of the construction features of the subject improvements:

ONE GATEWAY CENTER

Address:	420 Fort Duquesne Boulevard
Number of Stories:	20 + 1 below grade
Year Built/Renovated:	1953 / 1985, 1997-2000, 2005
Gross Leasable Area:	353,684 square feet
Structural Frame:	Concrete and steel.
Roof:	Flat roof with EDPM membrane covering and short masonry parapet walls with aluminum copings. The roofs house elevator machine rooms.
Exterior Walls:	The building exterior is comprised of stainless steel clad concrete panels pre-formed and filled with approximately 4" of light weight concrete. The facing at the base of each building is 2" thick polished granite. The interior corner and penthouse area have a brick back up composition.
Windows:	Tinted continuous glass set in finished bronzed aluminum frames.
Entrance:	The main entrance to the building is located in the courtyard at the center of the site. The front entry consists of multiple swing out glass doors in metal frames, as well as a glass revolving door. There are also auxiliary entrances.
Stairwells:	Two centrally located interior stairways services all floors. The stairwells are steel and concrete with metal railings.
Elevator:	The building contains 13 total elevators including 1 dock freight unit. The elevator schedule is presented as follows:

	One Gateway				
	Elevator Number	Type	Floors	Speed	Capacity
	1-4	Passenger	L-10	700 fpm	3,000 lbs
	5,8-9	Passenger	L, 11-20	700 fpm	3,000 lbs
	6	Passenger/BU Freight	LL-20	700 fpm	3,000 lbs
	7	Freight	LL-20	700 fpm	3,500 lbs
	11	KDKA's	LL, L, 2	200 fpm	2,500 lbs
	10	Passenger Shuttle	LL, L	200 fpm	2,500 lbs
	13	Dock Freight	LL, Dock	N/A	4,000 lbs
Electricity:	Standard commercial service. The tenants are metered for electricity usage.				
Fire Protection:	Fire rated doors and materials, smoke detectors, emergency lighting, pull stations.				
Security:	The building contains an alarm system and an attended lobby with contracted security personnel.				
Interior Finishes:	Good-quality office finishes include carpeting and tiled flooring, painted or papered gypsum board walls and painted sheetrock, acoustic tile or exposed ceilings with recessed fluorescent and incandescent lighting fixtures. Office interiors are of a high quality, with full length glass partitions and custom wood work in many spaces. Most offices have a conference room and employee break room with kitchenette.				
Common Areas:	Carpeted and tiled floors, painted and fabric covered gypsum board walls and painted sheetrock ceilings with suspended and recessed fluorescent lighting fixtures.				
Lobby:	The one-story lobby has white Carrera marble walls, Swedish mahogany granite floors and painted ceilings. The lobby has a security concierge station and was renovated between 1997-2000.				
Ceiling Height:	Finished ceiling height is approximately 9' 0" while the unfinished slab to slab height is approximately 11.9± feet.				
Restrooms:	The building contains multiple restrooms per floor. Finishes typically include ceramic tiled flooring and walls, acoustic ceilings, and porcelain and stainless steel fixtures.				

TWO GATEWAY CENTER

Address:	603 Stanwix Street																																								
Number of Stories:	20 + 1 below grade																																								
Year Built/Renovated:	195 / 1985, 1997-2000, 2005																																								
Gross Leasable Area:	320,429 square feet																																								
Structural Frame:	Concrete and steel.																																								
Roof:	Flat roof with EDPM membrane covering and short masonry parapet walls with aluminum copings. The roof houses elevator machine rooms.																																								
Exterior Walls:	The building exterior is comprised of stainless steel clad concrete panels pre-formed and filled with approximately 4” of light weight concrete. The facing at the base of each building is 2” thick polished granite. The interior corner and penthouse area have a brick back up composition.																																								
Windows:	Tinted continuous glass set in finished bronzed aluminum frames.																																								
Entrance:	The main entrance to the building consists of a glass enclosed circular entry located at the intersection of Liberty Avenue and Stanwix Street. The entry consists of multiple swing out glass doors in metal frames, as well as four glass revolving doors. There are also auxiliary entrances on other sides of the building.																																								
Stairwells:	Two centrally located interior stairways services all floors. The stairwells ae steel and concrete with metal railings.																																								
Elevator:	The building contains 13 total elevators including 1 freight unit. The elevator schedule is presented as follows: <table><tr><th colspan="5">Two Gateway</th></tr><tr><th>Elevator Number</th><th>Type</th><th>Floors</th><th>Speed</th><th>Capacity</th></tr><tr><td>1-4</td><td>Passenger</td><td>L-10</td><td>700 fpm</td><td>3,000 lbs</td></tr><tr><td>5,8,9</td><td>Passenger</td><td>L, 11-20</td><td>700 fpm</td><td>3,000 lbs</td></tr><tr><td>6</td><td>Passenger/BU Freight</td><td>LL-20</td><td>700 fpm</td><td>3,000 lbs</td></tr><tr><td>7</td><td>Freight</td><td>LL-20</td><td>500 fpm</td><td>3,500 lbs</td></tr><tr><td>11</td><td>Passenger Shuttle</td><td>LL, L</td><td>125 fpm</td><td>2,500 lbs</td></tr><tr><td>13</td><td>Private Passenger</td><td>L-2</td><td>Not in Service</td><td></td></tr></table>	Two Gateway					Elevator Number	Type	Floors	Speed	Capacity	1-4	Passenger	L-10	700 fpm	3,000 lbs	5,8,9	Passenger	L, 11-20	700 fpm	3,000 lbs	6	Passenger/BU Freight	LL-20	700 fpm	3,000 lbs	7	Freight	LL-20	500 fpm	3,500 lbs	11	Passenger Shuttle	LL, L	125 fpm	2,500 lbs	13	Private Passenger	L-2	Not in Service	
Two Gateway																																									
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11	Passenger Shuttle	LL, L	125 fpm	2,500 lbs																																					
13	Private Passenger	L-2	Not in Service																																						
Electricity:	Standard commercial service. The tenants are metered for electricity usage.																																								

Fire Protection:	Fire rated doors and materials, smoke detectors, emergency lighting, pull stations.
Security:	The building contains an alarm system and an attended lobby with contracted security personnel.
Interior Finishes:	Good-quality office finishes include carpeting and tiled flooring, painted or papered gypsum board walls and painted sheetrock, acoustic tile or exposed ceilings with recessed fluorescent and incandescent lighting fixtures. Office interiors are of a high quality, with full length glass partitions and custom wood work in many spaces. Most offices have a conference room and employee break room with kitchenette.
Common Areas:	Carpeted and tiled floors, painted and fabric covered gypsum board walls and painted sheetrock ceilings with suspended and recessed fluorescent lighting fixtures.
Lobby:	The three-story atrium lobby has white Carrera marble walls, Swedish mahogany granite floors and painted ceilings. The lobby has a security concierge station and was renovated between 1997-2000.
Ceiling Height:	Finished ceiling height is approximately 9' 0" while the unfinished slab to slab height is approximately 11.9± feet.
Restrooms:	The building contains multiple restrooms per floor. Finishes typically include ceramic tiled flooring and walls, acoustic ceilings, and porcelain and stainless steel fixtures.

THREE GATEWAY CENTER

Address:	401 Liberty Avenue
Number of Stories:	25 + 1 below grade
Year Built/Renovated:	1952 / 1985, 1997-2000, 2005
Gross Leasable Area:	370,175 square feet
Structural Frame:	Concrete and steel.
Roof:	Flat roof with EDPM membrane covering and short masonry parapet walls with aluminum copings. The roof houses elevator machine rooms.

Exterior Walls:	The building exteriors is comprised of stainless steel clad concrete panels pre-formed and filled with approximately 4” of light weight concrete. The facing at the base of each building is 2” thick polished granite. The interior corner and penthouse area have a brick back up composition.																														
Windows:	Tinted continuous glass set in finished bronzed aluminum frames.																														
Entrance:	A primary entry is located on the Liberty Avenue side of the building, with swing out glass doors and revolving glass doors. The secondary entrance to the building is located in the courtyard at the central of the site. The front entry consists of a circular glass enclosure with multiple swing out glass doors in metal frames. There are also auxiliary entrances.																														
Stairwells:	Two centrally located interior stairways services all floors. The stairwells ae steel and concrete with metal railings.																														
Elevator:	The building contains 11 total elevators including 1 freight unit. The elevator schedule is presented as follows: Three Gateway <table><tr><th>Elevator Number</th><th>Type</th><th>Floors</th><th>Speed</th><th>Capacity</th></tr><tr><td>1-4</td><td>Passenger</td><td>L-11</td><td>700 fpm</td><td>3,000 lbs</td></tr><tr><td>5,8,9,10</td><td>Passenger</td><td>L, 12-24</td><td>800 fpm</td><td>3,500 lbs</td></tr><tr><td>6</td><td>Passenger/BU Freight</td><td>LL-24</td><td>800 fpm</td><td>3,500 lbs</td></tr><tr><td>7</td><td>Freight</td><td>LL-24</td><td>800 fpm</td><td>3,500 lbs</td></tr><tr><td>11</td><td>Passenger Shuttle</td><td>24-25</td><td>100 fpm</td><td>1,000 lbs</td></tr></table>	Elevator Number	Type	Floors	Speed	Capacity	1-4	Passenger	L-11	700 fpm	3,000 lbs	5,8,9,10	Passenger	L, 12-24	800 fpm	3,500 lbs	6	Passenger/BU Freight	LL-24	800 fpm	3,500 lbs	7	Freight	LL-24	800 fpm	3,500 lbs	11	Passenger Shuttle	24-25	100 fpm	1,000 lbs
Elevator Number	Type	Floors	Speed	Capacity																											
1-4	Passenger	L-11	700 fpm	3,000 lbs																											
5,8,9,10	Passenger	L, 12-24	800 fpm	3,500 lbs																											
6	Passenger/BU Freight	LL-24	800 fpm	3,500 lbs																											
7	Freight	LL-24	800 fpm	3,500 lbs																											
11	Passenger Shuttle	24-25	100 fpm	1,000 lbs																											
Electricity:	Standard commercial service. The tenants are metered for electricity usage.																														
Fire Protection:	Fire rated doors and materials, smoke detectors, emergency lighting, pull stations.																														
Security:	The building contains an alarm system and an attended lobby with contracted security personnel.																														
Interior Finishes:	Good-quality office finishes include carpeting and tiled flooring, painted or papered gypsum board walls and painted sheetrock, acoustic tile or exposed ceilings with recessed fluorescent and incandescent lighting fixtures. Office interiors are of a high quality, with full length glass partitions and custom wood work in many spaces. Most offices have a conference room and employee break room with kitchenette.																														

Common Areas:	Carpeted and tiled floors, painted and fabric covered gypsum board walls and painted sheetrock ceilings with suspended and recessed fluorescent lighting fixtures.
Lobby:	The three-story atrium lobby has white Carrera marble walls, Swedish mahogany granite floors and painted ceilings. The lobby has a security concierge station and was renovated between 1997-2000.
Ceiling Height:	Finished ceiling height is approximately 9' 0" while the unfinished slab to slab height is approximately 11.9± feet.
Restrooms:	The building contains multiple restrooms per floor. Finishes typically include ceramic tiled flooring and walls, acoustic ceilings, and porcelain and stainless steel fixtures.

FOUR GATEWAY CENTER

Address:	444 Liberty Avenue
Number of Stories:	22 + 1 below grade
Year Built/Renovated:	1960 / 1985, 1992, 2000, 2012
Gross Leasable Area:	425,648 square feet
Structural Frame:	Concrete and steel.
Roof:	Flat roof with EDPM membrane covering and short masonry parapet walls with aluminum copings. The roof houses elevator machine rooms.
Exterior Walls:	The building's exterior is comprised of stainless steel and aluminum mullions with spandrels to match the Solex Emerald Green window system.
Windows:	Tinted continuous glass; full length panes.
Entrance:	The main entrance to the building is located on Liberty Avenue via an elevated platform. The front entry consists of multiple swing out glass doors in metal frames, as well as a glass revolving doors. There are also auxiliary entrances.
Stairwells:	Two centrally located interior stairways services all floors. The stairwells are steel and concrete with metal railings.
Elevator:	The building contains 12 total elevators including 1 dock freight unit. The elevator schedule is presented as follows:

Four Gateway

Elevator Number	Type	Floors	Speed	Capacity
1-6	Passenger	L-12	500 fpm	3,500 lbs
7-10	Passenger	L, 12-22	800 fpm	3,500 lbs
11	Passenger/BU Freight	LL-22	800 fpm	3,500 lbs
12	Freight	LL-22	800 fpm	3,500 lbs
	Escalator	LL-L		
	Restaurant's Elevator	LL-L	100 fpm	2,100 lbs

The building also has an escalator and a separate elevator for the restaurant space.

Electricity:

Standard commercial service. The tenants are metered for electricity usage.

Fire Protection:

Fire rated doors and materials, smoke detectors, emergency lighting, pull stations.

Security:

The building contains an alarm system and an attended lobby with contracted security personnel.

Interior Finishes:

Good-quality office finishes include carpeting and tiled flooring, painted or papered gypsum board walls and painted sheetrock, acoustic tile or exposed ceilings with recessed fluorescent and incandescent lighting fixtures. Office interiors are of a high quality, with full length glass partitions and custom wood work in many spaces. Most offices have a conference room and employee break room with kitchenette.

Common Areas:

Carpeted and tiled floors, painted and fabric covered gypsum board walls and painted sheetrock ceilings with suspended and recessed fluorescent lighting fixtures.

Lobby:

Renovated in 2000 and 2012, the one story lobby consists of terrazzo floors, marble walls and painted/ drywall ceilings.

Ceiling Height:

Finished ceiling height is approximately 8' 6" while the unfinished slab to slab height is approximately 12.0± feet.

Restrooms:

The building contains multiple restrooms per floor. Finishes typically include ceramic tiled flooring and walls, acoustic ceilings, and porcelain and stainless steel fixtures.

BUILDING HVAC SYSTEMS

The following information was supplied by ownership:

Heating and Cooling: The HVAC system for a typical tenant area in One, Two, Three and Four Gateway Center consists of two primary air handlers and one common return fan. One of the primary fans serves the interior space and the other supplies constant volume air to the weather master perimeter induction units.

The interior air handler incorporates a mixed air/economizer section, tackified pre-filters with 65 percent efficient bag final filters, air blenders and an induced chilled water coil. Air delivery is through a main riser duct and distributed to each floor. In One, Two and Three Gateway, a variable air volume (VAV) box at the entrance of each wing modulates the supply air flow in relation to the space air temperature. In Four Gateway, VAV boxes are installed within the tenants' suites to accommodate their layout. In all four buildings, the interior supply air is ducted through the open plenum ceiling and delivered to the space through ceiling diffusers. Room air is drawn through ceiling grills into the open plenum ceiling and back to the fan systems.

The exterior air handler incorporates the same type of system architecture. Through a mixed air/economizer section, tackified pre-filters with 65 percent efficient bag final filters, air blenders and an induced chilled water coil; air is delivered through main riser ducts and distributed to each floor. Constant volume air is distributed to the perimeter induction units. Each perimeter office is individually controlled by a local thermostat sensing the return air temperature of the office space. This modulates a valve to supply either hot or chilled water to the unit coil to satisfy the thermostat setting and space demands. Circulating pumps provide heated and chilled water to each temperature-controlled space via a two-pipe distribution system. Chilled water for the central cooling system is supplied by the three Trane water-cooled centrifugal chillers, which were installed in 2000. Each chiller has a nominal rating of 1,450 tons and uses R-123 as a refrigerant. The condenser water for the chillers is supplied by the Allegheny River. Low pressure steam is generated by four central Cleaver Brooks 500 horsepower dual-fuel boilers serving all four buildings. Large pumps circulate river water through a system of filters and piping to the condenser barrels of the chillers and discharge downstream. The heated and chilled water supplies the air handling units.

Refrigeration Plant: The Gateway Center Refrigeration Plant provides chilled water to all four buildings via the three Trane water-cooled centrifugal chillers, as well as the Wyndham Grand Pittsburgh Hotel and Gateway Towers Condominiums. The Plant was upgraded with three new Trane chillers in 2000.

Steam Plant: The Steam Plant is located below grade. The system is comprised of four 1982 Cleaver Brooks CS-500, 500 horsepower, dual-fuel boilers, one condensate receiver, four independent feed pumps, one 200-gallon blow down and two 275 gallon fuel oil tanks. Natural gas is the primary fuel, with fuel oil as back-up. Two 6,000-gallon capacity fuel oil tanks serve as the main supply for the emergency generator and backup for the Steam Plant's boilers. These tanks, located in a containment area beneath the entrance ramp to the UPA (underground parking area), support the Steam Plant and One, Two and Three Gateway Center's emergency generator.

PARKING GARAGES

Two underground parking garages, (accommodating a total of 952 vehicles) are connected to all four buildings as well as the Wyndham Grand Pittsburgh Hotel and the Stanwix Street Garage, via an underground walkway. Renovated in 2004, the Gateway Center Garage is a three-level, reinforced steel and concrete, below-grade parking structure with 630 designated parking spaces and a maximum capacity of 730 (with valet assist) automobiles through aisle utilization. The Gateway Center Garage provides direct access to Four Gateway Center's lobby via an escalator and elevator service and is accessible on the south side of Liberty Avenue, halfway between Commonwealth Place and Stanwix Street. The Fort Pitt Bridge leads directly to this entrance. There is a second entrance to the Gateway Center Garage on the Boulevard of the Allies.

The Underground Parking Area (UPA) Garage is a single level of parking located beneath One, Two and Three Gateway Center and can accommodate an additional 222 vehicles. Access to the UPA Garage is on the south side of Fort Duquesne Boulevard near the Fort Duquesne Bridge.

AMENITIES

Building Four contains a 2- bay, dock height loading dock, while buildings One, Two and Three have 1 bay loading. There is also an on-site cafeteria within the lower level confluence of Buildings One, Two and Three which is also accessible via underground tunnel from Building Four. The buildings also contain supporting interior and street fronting retail spaces, including a large restaurant in Building Four, and bank branches in Buildings Two and Three.

FUNCTIONAL UTILITY

From a utility standpoint, the subject buildings are well laid out to accommodate their current and intended use. The subject properties benefit from their desirable location in an active mixed use district and has good exposure and frontage on multiple roadways, as well as excellent accessibility with near immediate highway access.

The subject gross leasable area is 1,469,936 square feet, with large floorplates that can accommodate a variety of small, medium and large corporate uses. Typical floor plates range from 15,000 square feet (Buildings One, Two, Three) to 19,000 square feet (Building Four).

BUILDING MANAGEMENT/MAINTENANCE

Management and maintenance duties are overseen by property ownership (Hertz Investment Group). Ownership contracts for personnel services, including maintenance, cleaning, security and parking garage. This appraisal is subject to the property being operated under prudent management. Leasing is typically handled by Property Management Inc.

CONDITION

Based upon our inspection, the subject improvements appear to be in good to very good overall marketable condition, having been constructed in the 1950's and 1960's, and renovated over various time periods in the 1980's, 1990's and 2000's, with most recent updates occurring in 2005

and 2012. No items of deferred maintenance are noted, and the improvements have an estimated remaining economic life of at least 50 years. Overall, the property has been well maintained in good to very good marketable condition.

CONCLUSION

To summarize, the subject property conforms to its immediate area with no evidence of unusual external negative forces foreseeable over the near future. Considering the foregoing, it is our opinion that the subject property is a good quality, multi-tenanted office building. The information contained in the sections entitled “ZONING ANALYSIS,” “ASSESSED VALUE AND REAL ESTATE TAXES,” “SITE DESCRIPTION” and “BUILDING DESCRIPTION” was obtained from the following sources:

1. Formal field inspection, August 1, 2017;
2. Information provided by ownership and the client;
3. City of Pittsburgh and Allegheny County Zoning, and Assessment records;
4. CoStar Property Services.

HIGHEST AND BEST USE

According to The Dictionary of Real Estate Appraisal, Sixth Edition (2015), a publication of the Appraisal Institute, the highest and best use is defined as:

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.”

HIGHEST AND BEST USE CRITERIA

We have evaluated the sites’ highest and best use both as currently improved and as if vacant. In both cases, the property’s highest and best use must meet four criteria:

1. legally permissible;
2. physically possible;
3. financially feasible; and,
4. maximally productive.

LEGALLY PERMISSIBLE

The first test concerns permitted uses. The zoning code is the main law regarding the legality of development.

PHYSICALLY POSSIBLE

The second test is what is physically possible. Size, shape, street layout are all factors that may or may not inhibit development.

FINANCIAL FEASIBILITY AND MAXIMAL PRODUCTIVITY

The third and fourth tests are, respectively, what is feasible and what will produce the highest net return. After analyzing the physically possible and legally permissible uses of the property, the highest and best use must be considered in light of financial feasibility and maximum productivity. For a potential use to be seriously considered, it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible.

AS VACANT**Legally permissible:**

The subject properties are located in an GT-D; Golden Triangle Zone D zone as amended by the City of Pittsburgh. This is a downtown urban zone that allows for a variety of commercial uses, including office, retail, and hotel. A number of multi-family uses are also allowable, as are some recreational and municipal uses. No known zoning change is currently being considered or anticipated. The nature of the subject's location, together with the current and expected trends in supply and demand support the current zoning. It is our opinion that the subject site, if vacant, could be developed for the above legally permitted uses.

Physically possible:

The subject sites have all necessary available utilities, and no apparent easements or encroachments that would hinder or prevent development. Drainage appears to be adequate. The subject's site sizes are typical of improved sites in the area and is not considered to restrict the utility of the subject in relation to competing sites. Furthermore, the subject sites have frontage and exposure on multiple roadways. The above legally permitted uses, therefore, are considered physically possible.

Financially feasible:

Based on prevailing market rents for office space and the limited availability of suitably zoned vacant land available for such development, it appears likely that speculative development may only be financially feasible in the subject location subject with pre-leasing. Despite solid market rents for Class A office space in this market, rental rates and vacancy levels are such that speculative office development is not financially feasible at this time. The site would also be suitable for educational and institutional uses although such uses are not typically developed as income producing facilities. Hotel use would likely not be financially feasible as there are already to hotels located in the vicinity, including adjacent to the subject property.

Based upon prevailing surrounding uses, office use would be the most viable and financially feasible use. However, current market conditions indicate that virtually no new construction is taking place within the CBD office market, owing to a lack of suitable development sites available, and top tiered market rents of up to \$35.00 per square foot. Additionally,

construction financing for speculative commercial development remains difficult to obtain in today's economic climate for projects in without significant pre-leasing. In summary, it is our opinion that the property as vacant should be held until conditions improve and/or market rents increase and vacancy rates decrease to justify new office construction.

Maximally productive/ highest and best use:

All legally permissible, physically possible, and financially feasible uses of the subject site have been presented and examined. In conclusion, it is our opinion that the highest and best use of the subject, as vacant, is to be held for future office development, when such development is financially feasible and when construction financing can be readily obtained.

AS IMPROVED**Legally permissible:**

The subject properties conform to the zoning requirements governing the GT-D; Golden Triangle Zone D as a pre-existing use and bulk (the subject buildings were constructed prior to the most recent zoning ordinance update). The property represents a presumably complying bulk. Within the downtown district, parking requirements are waived. In terms of use the subject property conforms to the zoning requirements of the applicable zoning district.

Physically possible:

The subject improvements are physically possible as a result of their existence. In addition, the presence of similar improvements in the expanded market area attests to the physical possibility of such improvements.

Financially feasible:

Based on the commercial character of the subject location, it is anticipated that such uses (office) will continue for the foreseeable future. The subject is well located for office use. Furthermore, the site benefits from good exposure, visibility and accessibility.

There is a relatively high concentration of office properties in the subject area and the subject improvements add value to the land. Therefore, it would be considered unreasonable to demolish the existing improvements because the subject maintains value based upon its continued use. In summary, the most financially feasible use of the subject property, as improved, is its continued use as an office complex.

Maximally productive/ highest and best use:

All legally permissible, physically possible, and financially feasible uses of the subject property, as improved, have been presented and examined. In summary, the most financially feasible use of the subject property, as improved, is its continued existing use as multi-tenanted office buildings with retail space at grade level.

APPRAISAL VALUATION PROCESS

There are three traditional and accepted methods of estimating the fair value of real estate. They are:

1. The Income Capitalization Approach;
2. The Sales Comparison Approach; and,
3. The Cost Approach

The Income Capitalization Approach is a set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

In the Sales Comparison Approach, fair value is estimated by comparing the subject property to similar properties. This approach is based on the principle of substitution and contribution which states that a knowledgeable investor will pay no more for a property than would be paid for a comparable substitute property.

The Cost Approach is based on the principle of substitution, which affirms that a prudent and informed purchaser will pay no more for a specific property than the cost of producing a substitute property of equal or similar desirability and utility.

This approach is a method of valuation consisting of four basic steps:

1. Estimation of the property's land value, as if vacant.
2. Estimation of the current cost of replacing or reproducing the existing improvements.
3. Estimation and deduction of depreciation from all causes.
4. Adding an entrepreneurial profit, the value of the land, and the depreciated value of the improvements.

Finally, these approaches to value are reconciled into a final fair value estimate. The strengths and weaknesses of each approach are discussed, and a final value estimate is made.

INCOME CAPITALIZATION APPROACH

The Income Capitalization Approach is predicated on the assumption that there is a definite relationship between the amount of income that a property is capable of producing and its value. This Approach considers the ability of a property to produce income and recognizes that value is the present worth of future benefits resulting from ownership of the property. The basic steps of the Income Capitalization Approach are to estimate the gross income the property is capable of generating, deducting vacancies and any rent deficiencies, which leaves effective gross income. The estimated annual expenses are then deducted from the effective gross income. The result is the indication of net operating income before debt service. The net operating income is capitalized into an indication of value by the use of a capitalization rate, or it is projected into the future over a selected but appropriate holding period and discounted along with the anticipated reversion (sale price at the end of the holding period) at the investor's or market discount rate in order to arrive at the net present value for the subject property.

METHOD OF VALUATION

As the subject space is currently leased by multiple tenants, we have used both the discounted cash flow (DCF) and direct capitalization methods. Argus software has been used in making cash flow projections.

INCOME

The subject property consists of four, twenty to twenty-five story, Class A office buildings constructed in 1952, 1953 and 1960, and a supportive underground parking garage. The properties are situated on three contiguous and non-contiguous tax parcels and are operated as a single property. The facility in aggregate contains a total net rentable office and retail area of approximately 1,469,936 square feet. In addition, the property contains two underground parking garages with capacities of 730 and 222 parking spaces. The property is currently 84.40% leased and occupied. Most of the tenants have conference facilities, and there is leasable tenant storage on the building lower levels. The buildings are all interconnected via a network of underground access tunnels.

Income is derived from multiple sources, including office rentals, retail rentals, parking garage and storage rentals, as well as expense reimbursements. The subject office complex comprises four separate rent rolls, although the facility is operated as a single entity. Each building rent roll is included in the addendum and will be analyzed as follows:

ONE GATEWAY CENTER

This property rent roll contains office, retail and storage unit tenancies, with 79 total rentable units. 56 units are leased. Office rental rates from the low to mid-teens (\$10.00 to \$18.00) per square foot to \$19.00 to \$24.00 per square foot. There are two retail spaces. Lease terms vary, with a combination of shorter and longer term deals, including one year rentals. Many leases have annual rental rate increases while others have no rent increases. Most tenants pay a pro rata share of increases in real estate taxes and operating expenses above a base year. There is currently 50,360 square feet of office and storage space available for lease.

TWO GATEWAY CENTER

This property rent roll contains office, retail and storage unit tenancies, with 101 total rentable units. 72 units are leased. Office rental rates vary significantly, with current contract rents ranging from around \$17.00 to \$20.00 per square foot, and newer deals in the \$21.00 to \$23.00 per square foot range. Lease terms vary, with a combination of shorter and longer term deals, including one year rentals. Many leases have annual rental rate increases while others have no rent increases. Most tenants pay a pro rata share of increases in real estate taxes and operating expenses above a base year. There are also four retail tenants in occupancy including a bank branch and eyeglass store. The current contract retail rental rates range from \$8.01 to \$29.50 per square foot. There is currently 53,092 square feet of office and storage space available for lease.

THREE GATEWAY CENTER

This property rent roll contains office, retail and storage unit tenancies, with 91 total rentable units. 55 units are leased. Office rental rates vary significantly, with current contract rents ranging from around \$17.00 to \$24.00 per square foot, and newer deals in the \$21.00 to \$22.00 per square foot range. Lease terms vary, with a combination of shorter and longer term deals, including one year rentals. Many leases have annual rental rate increases while others have no rent increases. Most tenants pay a pro rata share of increases in real estate taxes and operating expenses above a base year. There are also two retail tenants in occupancy including Dollar Bank which occupies multiple spaces within the building. There is currently 69,783 square feet of office and storage space available for lease.

FOUR GATEWAY CENTER

This property rent roll contains office, retail and storage unit tenancies, with 55 total rentable units. 39 units are leased. Office rental rates vary significantly, with current contract rents ranging from around \$17.50 to \$26.00 per square foot, and newer deals exceeding \$23.00 per square foot. Lease terms vary, with a combination of shorter and longer term deals, including one year rentals. Many leases have annual rental rate increases while others have no rent increases. Most tenants pay a pro rata share of increases in real estate taxes and operating expenses above a base year. There are also two retail tenants in occupancy including a large restaurant space with contract rents of approximately \$22.26 to \$31.03 per square foot. There is currently 56,111 square feet of office and storage space available for lease.

For all subject buildings, electric charges are included in the rent and reimbursed under utilities as part of the operating expense pool.

RECENT LEASING ACTIVITY

Within the Gateway Center complex, there have been several leases signed over the past 12 months, including tenants with terms commencing in 2018 and 2019 (typically extensions of existing tenancies). The following is a listing of recent office leases signed within the subject office complex – including renewal leases.

RECENT LEASING ACTIVITY – ONE AND TWO GATEWAY CENTER

No	Building	Suite	Tenant	Square		Lease Begin	Lease End	Rent/PSF	Rent Increases	Reimbursements
				Feet						
1	One	0195	L.J. Boss Company (Extension)	1,013		2/1/2019	1/31/2021	\$21.50	None	RE Tax and Operating Increases over base year
2	One	0400	E.R. Munro and Co. (Extension)	9,862		8/1/2017	7/31/2027	\$20.53	Annual	RE Tax and Operating Increases over base year
3	One	0600	Litchfield Cavo (Extension)	3,885		4/1/2019	3/31/2020	\$21.50	None	None
4	One	0725	Innovative Benefits Consulting	3,612		8/1/2018	7/31/2023	\$22.04	Annual	RE Tax and Operating Increases over base year
5	One	0750	Marbury Wealth Management	2,889		8/1/2018	7/31/2023	\$19.25	Annual	RE Tax and Operating Increases over base year
6	One	0882	Schwarzwaelder Law Offices	1,147		6/1/2017	5/31/2020	\$21.50	Annual	RE Tax and Operating Increases over base year
7	One	1000	Davies, McFarland & Carroll PC (Extension)	7,557		11/1/2017	10/31/2022	\$20.74	Annual	RE Tax and Operating Increases over base year
8	One	1600	Williams Coulson Johnson Lloyd (Extension)	15,260		9/1/2018	8/31/2028	\$24.00	Annual	RE Tax and Operating Increases over base year
9	One	1800	Bordas & Bordas (Extension)	4,356		9/1/2019	8/31/2020	\$21.00	Annual	RE Tax and Operating Increases over base year
10	One	1875	Bordas & Bordas (Extension)	3,736		3/1/2017	8/31/2020	\$19.50	Annual	RE Tax and Operating Increases over base year
11	Two	1725	Wilbraham Lawler & Buba (Extension)	3,533		12/1/2017	11/30/2022	\$20.50	Annual	RE Tax and Operating Increases over base year
12	Two	1782	Wilbraham Lawler & Buba (Extension)	890		12/1/2017	11/30/2022	\$20.50	Annual	RE Tax and Operating Increases over base year
13	Two	2025	Minto Law Group (Extension)	3,525		11/1/2017	11/30/2020	\$22.68	Annual	RE Tax and Operating Increases over base year
14	Two	0381	Gateway Eye Associa	739		8/10/2017	7/31/2027	\$23.77	Annual	RE Tax and Operating Increases over base year
15	Two	0382	Celsense, Inc.	578		3/1/2018	2/28/2021	\$22.00	None	None
16	Two	0390	Celsense, Inc.	2,138		3/1/2017	2/28/2021	\$20.05	None	None
17	Two	0460	Revenue Cycle Solutions	3,245		9/1/2016	8/31/2021	\$20.50	Annual	RE Tax and Operating Increases over base year
18	Two	0500	Adagio Health	14,955		11/1/2017	9/30/2028	\$20.00	Annual	RE Tax and Operating Increases over base year
19	Two	1227	K & M Law Group (Extension)	605		3/1/2017	7/31/2022	\$20.50	Annual	RE Tax and Operating Increases over base year
20	Two	1228	K & M Law Group (Extension)	1,831		3/1/2017	7/31/2022	\$20.25	Annual	RE Tax and Operating Increases over base year
21	Two	1299	Law offices of Joel Sansone	2,256		3/15/2018	8/31/2028	\$21.00	Periodic	RE Tax and Operating Increases over base year
22	Two	1325	Sedgewick Claims Management (Extension)	3,610		2/1/2018	1/31/2021	\$23.00	Annual	RE Tax and Operating Increases over base year
23	Two	2000	Triangle Capital Corp. (Extension)	4,367		10/1/2018	1/31/2023	\$20.00	Annual	RE Tax and Operating Increases over base year
24	Two	Multi.	Babst Calland Clements & Zomnir (Extension)	59,868		1/1/2019	12/31/2028	\$20.47	Annual	RE Tax and Operating Increases over base year

RECENT LEASING ACTIVITY – THREE AND FOUR GATEWAY CENTER

No	Building	Suite	Tenant	Square		Lease Begin	Lease End	Rent/PSF	Rent Increases	Reimbursements
				Feet						
25	Three	1325	ARCCA Inc.	2,930		2/1/2018	5/31/2023	\$20.00	Annual	RE Tax and Operating Inceases over base year
26	Three	1675	Wade Trim Ohio	3,769		2/1/2018	2/28/2021	\$20.00	Annual	RE Tax and Operating Inceases over base year
27	Three	1800	Grossman Yanak & Ford (Expansion)	14,907		3/1/2018	9/30/2024	\$20.00	Annual	RE Tax and Operating Inceases over base year
28	Three	1965	Carnegie Institute	2,057		8/28/2017	2/28/2019	\$20.00	Annual	RE Tax and Operating Inceases over base year
29	Three	1355	Verdell Dean & Associates	687		7/1/2017	6/30/2019	\$22.00	None	None
30	Three	2325	Pond Lehocky Stern Giordano	2,716		6/30/2017	8/31/2020	\$21.50	Annual	RE Tax and Operating Inceases over base year
31	Four	1305	Parsons Brinckerhoff (Extension)	8,532		5/1/2017	4/30/2018	\$26.00	None	None
32	Four	1000	Gateway Health Plan (Expansion)	14,207		2/3/2017	9/30/2027	\$23.25	Annual	RE Tax and Operating Inceases over base year
33	Four	0700	Gatesman, Inc.	13,818		3/1/2018	8/31/2026	\$22.95	Annual	RE Tax and Operating Inceases over base year
34	Four	1200	Gateway Health Plan (Expansion)	18,686		1/20/2017	9/30/2023	\$23.25	Annual	RE Tax and Operating Inceases over base year
Total/Average				237,766				\$21.48		

Within Buildings One, Two and Three, recent leases range from a low of \$19.25 per square foot to a high of \$24.00 per square foot, averaging \$21.01 per square foot. Most new deals within these buildings are clustered in the \$20.00 to \$21.00 per square foot range. Ownership has been able to historically achieve higher rental rates within Building Four. New lease deals in Building Four range from \$22.95 to \$26.00 per square foot, averaging \$23.86 per square foot. Lease terms are typically for 5 to 10 year periods, although some terms are shorter (1 to 3 years). Most lease terms have annual rent increases which vary but are typically around 3% per annum. In many cases, ownership assigns or includes free parking spaces within tenant lease deals. Ownership also provides a \$25.00 to \$40.00+ per square foot workletter for new deals, with \$5.00 to \$10.00 per square foot given for renewal deals.

MARKET RENT ANALYSIS - OFFICE

In order to determine the reasonableness of the subject's contract rental rates, as well as determine market rent upon lease expiration, we have researched the local market for comparable office lease data within the Pittsburgh CBD office submarket. As the subject leasing is also commensurate with Class B facilities, both Class A and Class B office rentals were researched. The comparable rental data is presented on the following pages.

COMPARABLE OFFICE RENTALS MAPS



COMPARABLE OFFICE RENTAL 1



Tenant	Cosmich, Simmons & Brown
Location:	436 Seventh Avenue Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	356,439
Building Description:	Thirty-four story, Class B pre-war office building built in 1929 and renovated in 1996.
Gross Leasable Area - Tenant (SF):	2,749
Floor Location:	26
Year Built/Renovated:	1929/1996
Current Occupancy Rate:	86.20%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. New direct lease. Workletter terms were not disclosed.
Base Rent PSF:	\$24.50
Lease Date:	Dec-17
Lease Duration:	5.5 years
Rent Increases:	Annual

COMPARABLE OFFICE RENTAL 2



Tenant	Confidential
Location:	436 Seventh Avenue Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	356,439
Building Description:	Thirty-four story, Class B pre-war office building built in 1929 and renovated in 1996.
Gross Leasable Area - Tenant (SF):	24
Floor Location:	28
Year Built/Renovated:	1929/1996
Current Occupancy Rate:	86.20%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. New direct lease. Workletter terms were not disclosed.
Base Rent PSF:	\$24.00
Lease Date:	Nov-17
Lease Duration:	Estimated 5 years
Rent Increases:	Not disclosed

COMPARABLE OFFICE RENTAL 3



Tenant	Confidential
Location:	210 6th Avenue Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	637,231
Building Description:	Thirty-seven story, Class A office building built in 1968.
Gross Leasable Area - Tenant (SF):	17,585
Floor Location:	8
Year Built/Renovated:	1968/2010
Current Occupancy Rate:	97.00%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. Renewal lease. Workletter terms were not disclosed.
Base Rent PSF:	\$24.50
Lease Date:	Aug-17
Lease Duration:	Estimated 10 years
Rent Increases:	Not disclosed

COMPARABLE OFFICE RENTAL 4



Tenant	Ess Nextier
Location:	707 Grant Street Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	432,000
Building Description:	Thirty-eight story, Class B pre-war office building built in 1932 and renovated in 2004.
Gross Leasable Area - Tenant (SF):	2,063
Floor Location:	27
Year Built/Renovated:	1932/2004
Current Occupancy Rate:	61.30%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. New direct lease. Workletter terms were not disclosed.
Base Rent PSF:	\$21.50
Lease Date:	Apr-17
Lease Duration:	Estimated 5 years
Rent Increases:	Not disclosed

COMPARABLE OFFICE RENTAL 5



Tenant	Bit x Bit LLC
Location:	437 Grant Street Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	366,010
Building Description:	Twenty-story, Class A pre-war office building built in 1902 and renovated in 1988.
Gross Leasable Area - Tenant (SF):	3,119
Floor Location:	12
Year Built/Renovated:	1902/1988
Current Occupancy Rate:	84.80%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. New direct lease. Workletter terms were not disclosed.
Base Rent PSF:	\$21.50
Lease Date:	Nov-16
Lease Duration:	Estimated 5 years
Rent Increases:	Not disclosed

COMPARABLE OFFICE RENTAL 6



Tenant	United States Steel (renewal)
Location:	600 Grant Street Pittsburgh, Allegheny County, PA
Gross Building Area (SF):	2,336,272
Building Description:	Sixty-four story, Class A office building built in 1972.
Gross Leasable Area - Tenant (SF):	269,477
Floor Location:	6,8,9,21-24
Year Built/Renovated:	1972
Current Occupancy Rate:	94.50%
Lease Terms:	Modified-gross. Tenant pays pro rata share of increases in real estate taxes and operating expenses above a base year. Renewal lease. Workletter terms were not disclosed.
Base Rent PSF:	\$25.75
Lease Date:	Jun-16
Lease Duration:	Estimated 10 years
Rent Increases:	Not disclosed

COMPARABLE OFFICE RENTAL SUMMARY

No	Address	Location	Tenant	Size (SF)	Lease Date	Floor	Rent Per SF
1.	436 Seventh Avenue	Pittsburgh, PA	Cosmich, Simmons & Brown	2,749	Dec-17	26	\$24.00
2.	436 Seventh Avenue	Pittsburgh, PA	Confidential	1,553	Nov-17	28	\$24.00
3.	210 6th Avenue	Pittsburgh, PA	Confidential	17,585	Aug-17	8	\$24.50
4.	707 Grant Street	Pittsburgh, PA	ESS Nextier	2,063	Apr-17	27	\$21.50
5.	437 Grant Street	Pittsburgh, PA	Bit x Bit, LLC	3,119	Nov-16	12	\$21.50
6.	600 Grant Street	Pittsburgh, PA	US Steel (Renewal)	269,477	Jun-16	Multiple	\$25.75

OFFICE RENTAL ANALYSIS

The comparable office rentals are all within Class A and B properties located in Downtown Pittsburgh. Most of the comparable rentals (1, 2, 4 and 5) are pre-war buildings that have been substantially renovated and are therefore competitive with more modern buildings in the market. The comparable office rentals indicate a wide range of sizes and rents, ranging from 1,553 to 269,477 square feet, and from \$21.50 to \$25.75 per square foot, respectively. The comparable rentals in general offer similar amenities including on-site parking or available nearby parking; most have quality views from upper floors. Similar to the subject leasing structure, the comparable rentals are leased on a modified gross basis. Overall, the subject recent leasing is consistent with the market rental data presented. Therefore, office market rent projections are presented as follows:

MARKET LEASE TERMS – OFFICE BUILDINGS 1, 2, 3

Market lease terms for the subject's office spaces will be projected as follows:

Category	Office less than 5,000 square feet	Office more than 5,000 square feet
Market Rent Per Square Foot	\$21.00	\$21.00
Term (Years)	5	10
Rent Increases	3.0% per annum	3.0% per annum
Real Estate Taxes	Incr. over Base Year	Incr. over Base Year
Operating Expenses	Incr. over Base Year	Incr. over Base Year
Tenant Workletter	\$25.00 psf (new); \$10.00 psf (renewal)	\$35.00 psf (new); \$15.00 psf (renewal)
Free Rent	None	None

MARKET LEASE TERMS – OFFICE BUILDING 4

Category	Office less than 5,000 square feet	Office more than 5,000 square feet
Market Rent Per Square Foot	\$25.00	\$25.00
Term (Years)	5	10
Rent Increases	3.0% per annum	3.0% per annum
Real Estate Taxes	Incr. over Base Year	Incr. over Base Year
Operating Expenses	Incr. over Base Year	Incr. over Base Year
Tenant Workletter	\$25.00 psf (new); \$10.00 psf (renewal)	\$35.00 psf (new); \$15.00 psf (renewal)
Free Rent	None	None

CORRELATION WITH MARKET

In comparison to the property rent rolls, most of the office contract rental rates are at or below market parameters, with only a few seemingly above market. Many of the office leases at the subject property are seasoned deals, having been signed prior to 2010. In addition, several of the tenant leases are structured on a gross basis. The below and above market contract rentals will be implicit in our overall yield rate analysis and selection.

RETAIL SPACE

The subject property contains grade level retail spaces in Buildings 2, 3, and 4, including a large restaurant and two bank branches. The current contract rents for the subject retail space is presented as follows:

No	Building	Suite	Tenant	Square Feet	Lease Begin	Lease End	Rent/PSF	Rent Increases	Reimbursements
1	One	0185	Murman & O'Hara Enterprise	948	2/1/2017	1/31/2022	\$10.06	None	None
2	One	0195	L.J. Boss Company	1,013	2/1/2009	1/31/2021	\$18.00	None	RE Tax and Operating Increases over base year
3	Two	0016	Mark's Barber Styling (Interior)	899	7/21/2016	7/31/2017	\$8.25	None	None
4	Two	0175	Citizens Bank of Pennsylvania	3,546	4/1/2017	3/31/2022	\$36.00	None	RE Tax and Operating Increases over base year
5	Two	0028	Citizens Bank of Pennsylvania (LL)	2,010	4/1/2017	3/31/2022	\$29.50	None	RE Tax and Operating Increases over base year
6	Two	0125	Gateway Eye Associates	2,988	11/3/2001	7/27/2017	\$26.77	Annual	RE Tax and Operating Increases over base year
7	Three	0035	Metz Culinary Management (Café)	5,724	11/1/2001	12/31/2021	\$1.13	None	None
8	Three	0175	Dollar Bank, Federal Savings	2,801	1/1/2001	12/31/2020	\$26.00	None	Operating Increases over base year
9	Four	0100	Platinum Restaurants	9,086	4/22/2014	4/30/2029	\$27.00	Every 5 Years	RE Tax and Operating Increases over base year
10	Four	0102	Murman & O'Hara Enterprise	330	2/1/2017	1/31/2022	\$22.26	Annual	RE Tax and Operating Increases over base year
11	Four	0110	Platinum Restaurants	1,930	4/22/2014	4/30/2029	\$31.03	Every 5 Years	RE Tax and Operating Increases over base year

The Metz Culinary tenant is the common café located in the lower level that pay a nominal rent and is essentially provided as an amenity to the property.

The barber shop tenant also pays a very low rental rate as this space is located in the lower level and does not have any street frontage or exposure. The remaining tenant spaces all have street exposure and are situated at grade level. Excluding the two aforementioned spaces, the subject contract retail rents currently range from \$18.00 to \$36.00 per square foot, with most in the low to mid \$20.00 per square foot range. Lease terms vary, as most have flat rental terms while some are leased on a fully gross basis.

MARKET RENT

In order to determine the reasonableness of the retail contract rental rates, and market rent of the retail space upon lease expiration, we have researched the local market for comparable retail rental data. A thorough search within the Downtown Pittsburgh revealed the following retail rental data:

COMPARABLE RETAIL SPACES



No	Address	Location	Tenant	Start Date	Sq. Ft.	Base Rent	Lease Terms
1	201-219 Smithfield Street	Pittsburgh, PA	Gloria Jeans Coffee	Aug-17	1,273	\$27.00	Modified Gross
2	703-715 Liberty Avenue	Pittsburgh, PA	Verizon Pre-Paid	Sep-17	2,100	\$30.00	Modified Gross
3	1 PPG Place	Pittsburgh, PA	Tenant not disclosed	Feb-17	15,000	\$30.75	Modified Gross
4	301 Grant Street	Pittsburgh, PA	Tenant not disclosed	Feb-17	10,000	\$34.50	Modified Gross
5	1001 Liberty Avenue	Pittsburgh, PA	Tenant not disclosed	Aug-16	1,564	\$32.00	Modified Gross
					Min: 1,273	\$27.00	
					Avg: 5,987	\$30.85	
					Max: 15,000	\$34.50	

RECONCILIATION

The comparable retail rentals were executed between August 2016 and August 2017. All of the leases are reportedly modified gross and range from \$27.00 to \$34.50 per square foot. All are situated within the City of Pittsburgh, within the Downtown CBD. The subject contract rentals are generally within the range of the comparable rental data, although some subject rents fall below the range due to various factors including the date of the lease (seasoned) and location; other than the bank and restaurant spaces, the subject retail space at grade has only average exposure (i.e. the two coffee shops – Murman & OHara).

Based upon the foregoing analysis, we project a market rental rate of \$25.00 per square foot for the subject bank and restaurant spaces (respectively), with lower tiered market rents for other spaces as follows:

No Building Suite Tenant				Square Feet	Contract Rent/PSF	Market Rent/PSF
1	One	0185	Murman & O'Hara Enterprise	948	\$10.06	\$15.00
2	One	0195	L.J. Boss Company	1,013	\$18.00	\$25.00
3	Two	0016	Mark's Barber Styling (Interior)	899	\$8.25	\$10.00
4	Two	0175	Citizens Bank	3,546	\$36.00	\$25.00
5	Two	0028	Citizens Bank	2,010	\$29.50	\$25.00
6	Two	0125	Gateway Eye Associates	2,988	\$26.77	\$25.00
7	Three	0035	Metz Culinary Management (Café)	5,724	\$1.13	N/A
8	Three	0175	Dollar Bank, Federal Savings	2,801	\$26.00	\$25.00
9	Four	0100	Platinum Restaurants	9,086	\$27.00	\$25.00
10	Four	0102	Murman & O'Hara Enterprise	330	\$22.26	\$25.00
11	Four	0110	Platinum Restaurants	1,930	\$31.03	\$25.00

Retail lease terms are similar to office terms, with 5 year leases for spaces less than 5,000 square feet, and 10 year terms for spaces greater than 5,000 square feet. Lease terms will be gross or modified gross with 3% annual rent increases. No free rent or tenant improvement allowances will be given as retail space is typically leased “as is”.

STORAGE RENTS

Each subject building has numerous storage units of various sizes on the lower levels. The storage units are available as an amenity to the tenants at an additional monthly cost on a gross basis. The storage rentals typically range from \$5.00 to \$13.00 per square foot. We have projected market rent for the subject storage units at \$10.00 per square foot.

VACANT SPACE

All four subject buildings have vacant office and storage units available for lease. The retail space is fully occupied. After four consecutive quarters of negative net absorption between the third quarter 2016 and second quarter 2017, the last two quarters have indicated positive net absorption

of approximately 373,000 square feet. Thus, given the level of vacancy of 212,537 square feet within 4 buildings, it may require a period of 2 to 3 years to achieve stabilized occupancy, which is estimated to be approximately 91% to 92% in this market. This is in conjunction with future lease expirations and rollover within the subject buildings.

Rather than apply a vacancy and collection loss factor in our discounted cash flow analysis, we have assumed that certain office and storage units will remain vacant throughout the holding period. In total, 102,749 square feet is anticipated to remain vacant, or approximately 7% of the net rentable area. This will serve as a structural vacancy factor over the holding period. The remaining vacant office space will lease up over time on an arbitrary basis. Lease up of vacant office space is subject to full leasing commissions and tenant improvement allowances. Due to the more speculative nature of storage units, we have not applied market rent to any vacant storage units. Similarly, as small office units are more difficult to lease, no speculative lease up of office space has been projected for units less than 1,000 square feet.

OTHER INCOME

PARKING INCOME

The subject property generates additional parking income from the existing occupancy tenants, as well as transient public parking. Ownership projects the following parking income for the upcoming year:

Parking Income	Pro Rata %	Allocation
Building 1	24.06%	\$450,216
Building 2	21.80%	\$407,926
Building 3	25.18%	\$471,173
Building 4	28.96%	<u>\$541,905</u>
Total		\$1,871,220

We note that this is less than what has historically been reported on the operating expense statements. In conjunction with tenant rollover and structural vacancy (i.e. no re-leasing of new space), we will rely upon the above provided figures for parking income.

REIMBURSEMENT / OTHER INCOME

The subject facility generates reimbursement income from certain tenants which have causes in their leases indicating they are responsible for increases in real estate taxes and operating expenses above a base year. Ownership is able to sell power from the central plant to other properties, in addition to various other miscellaneous income. Total reimbursement and other income (excluding parking) was indicated as follows for the past several years:

	Actual	Actual	Actual	Budget
Income Category	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating Expense Reimbursement	\$527,349	\$1,251,149	\$1,712,717	\$1,791,627
Other Rental Income / Other Income	<u>\$1,551,043</u>	<u>\$1,542,510</u>	<u>\$1,586,549</u>	<u>\$1,726,896</u>
Total	\$2,078,392	\$2,793,659	\$3,299,266	\$3,518,523

Due to lease turnover in year 1, operating expense reimbursement income is anticipated to decrease. We will project 3.0% annual increases in all other income categories – except for operating expenses reimbursements which are variable.

HOLDING PERIOD

Typically, holding periods for a property such as the subject can range from as little as 5 years up to 20 or more years, with 10 years representing an industry standard. Typically, the reversion year is year 11, from which resale is calculated. We have utilized a 10 year holding period with the reversion calculated from year 11, which represents a year of stabilized operations, and reflects rollover of most existing tenancies in place.

LEASING COMMISSIONS AND TENANT IMPROVEMENTS

According to information provided by prominent leasing brokers in the Western Pennsylvania market, leasing commissions for 10 year lease deals is approximately 4.0% to 6.0% for new lease deals, with 40% to 50% commissions for renewals. Consistent with ownership practice, we have projected commissions for new office and retail lease deals at 5.8%, with renewals at 2.9%. The leasing expenditures were analyzed on a lease-by-lease basis. Commissions are to be paid in the year of occupancy.

For office space, landlords typically give a tenant improvement allowance within this market. The subject is good quality Class A space. Ownership also provides a \$25.00 to \$35.00 per square foot workletter for new deals, with \$10.00 to \$15.00 per square foot given for renewal deals. We will adapt ownership's practice, with the lower tenant improvement for 5 year deals and the higher tenant improvement given for 10 year deals. No tenant improvement allowances are noted for retail deals which are typically leased on an "as is" basis.

ABATEMENTS, DOWNTIME AND RENEWAL PROBABILITY

Within this market, free rent is currently not typical of the market with regard to office and retail space. No free rent abatements have therefore been forecast. Downtime between leases has been estimated at 8 months. A renewal probability factor of 75% is estimated, which is consistent with retention rates reported by the PWC Korpacz Investor Survey (Fourth Quarter 2017) which reports tenant retention rates of 50% to 85% within the national CBD office market.

VACANCY AND COLLECTION LOSS

According to CoStar Property Services, the office vacancy rate in the Pittsburgh market area increased to 8.6% at the end of the fourth quarter 2017. The vacancy rate was 8.3% at the end of the third quarter 2017, 8.3% at the end of the second quarter 2017, and 8.2% at the end of the first quarter 2017. Class-A projects reported a vacancy rate of 12.7% at the end of the fourth quarter 2017, 11.7% at the end of the third quarter 2017, 11.3% at the end of the second quarter 2017, and 11.5% at the end of the first quarter 2017. Class-B projects reported a vacancy rate of 8.3% at the end of the fourth quarter 2017, 8.3% at the end of the third quarter 2017, 8.5% at the end of the second quarter 2017, and 8.1% at the end of the first quarter 2017.

The current vacancy rate within CBD submarket is 9.4%, which is a slight decrease from 10.0% from the prior quarter, with Class A vacancy at 8.8%.

As of the end of the fourth quarter 2017, a market survey of 24 Class A office properties in the Pittsburgh CBD exhibited vacancy rates ranging from 0.0% to 65.5%, with an overall direct vacancy rate of 8.0%, a sublet vacancy rate of 0.1%, and a total vacancy rate of 8.1%. Vacancy rates within the survey have remained relatively consistent over the past 12 quarters, ranging between the current low of 6.5% and a high of 9.8%, although rates have trended upward. Excluding a few high vacancy properties, the vacancy rate decreased to approximately 7.0%.

Pittsburgh's retail vacancy rate increased in the fourth quarter 2017, ending the quarter at 3.1%. Over the past four quarters, the market has seen an overall increase in the vacancy rate, with the rate going from 2.8% in the first quarter 2017, to 2.6% at the end of the second quarter 2017, 2.9% at the end of the third quarter 2017, to 3.1% in the current quarter.

Historical occupancy for the subject office complex is indicated in the following table:

Year (Period)	Occupancy
12/31/2013	86.14%
12/31/2014	86.30%
12/31/2015	88.40%
12/31/2016	85.20%
6/30/2017	85.54%

As noted, the subject property is currently 84.40% leased, with some tenants on long term deals and others with near term expirations – particularly in Building 2. Based on the foregoing, we have therefore projected a vacancy and collection loss factor of 7.0%, of which 5.0% is allocated for vacancy and 2.0% for collection loss. Rather than apply a vacancy and collection loss factor in our discounted cash flow analysis, we have assumed that certain office and storage units will remain vacant throughout the holding period. In total, 102,749 square feet is anticipated to remain vacant, or approximately 7.0% of the net rentable area. This will serve as a structural vacancy factor over the holding period, with no additional vacancy factor required. A structural vacancy schedule is presented in the addendum. We note that the lease up of vacant units is speculative and could be materially different going forward; the lease up schedule is applied for valuation purposes.

OPERATING EXPENSES

The subject's occupancy leases are structured on a modified gross basis whereby the landlord is responsible for base year real estate taxes and operating expenses, including insurance, repairs and maintenance, utilities, payroll and management. Some tenants reimburse the landlord for increases in real estate taxes and operating expenses over a base year, while others are leased on a fully gross basis. The following is an operating expense statement for the property for the years ending 2014, 2015 and 2016, as well as a budgeted projection for 2017:

Gateway Center	1,469,936	Sq. Ft.						
Consolidated Operating Expense Statement								
Rental Income	Actual 2014	PSF	Actual 2015	PSF	Actual 2016	PSF	Budget 2017	PSF
Base Rental Income	\$22,331,936	\$15.19	\$23,289,084	\$15.84	\$24,082,432	\$16.38	\$23,840,109	\$16.22
Operating Expense Reimbursement	\$527,349	\$0.36	\$1,251,149	\$0.85	\$1,712,717	\$1.17	\$1,791,627	\$1.22
Parking Income	\$2,567,638	\$1.75	\$2,638,991	\$1.80	\$2,607,166	\$1.77	\$2,590,268	\$1.76
Other Rental Income / Other Income	<u>\$1,551,043</u>	<u>\$1.06</u>	<u>\$1,542,510</u>	<u>\$1.05</u>	<u>\$1,586,549</u>	<u>\$1.08</u>	<u>\$1,726,896</u>	<u>\$1.17</u>
Total Income	\$26,977,966	\$18.35	\$28,721,734	\$19.54	\$29,988,864	\$20.40	\$29,948,900	\$20.37
Operating Expenses	Actual 2014	PSF	Actual 2015	PSF	Actual 2016	PSF	Budget 2017	PSF
Cleaning and Janitorial	\$2,616,115	\$1.78	\$2,756,023	\$1.87	\$2,973,947	\$2.02	\$3,060,437	\$2.08
Repairs and Maintenance	\$2,509,508	\$1.71	\$2,601,140	\$1.77	\$2,791,017	\$1.90	\$2,480,583	\$1.69
Utilities	\$4,778,603	\$3.25	\$5,066,600	\$3.45	\$4,734,905	\$3.22	\$4,852,708	\$3.30
Common Area Maintenance	\$258,616	\$0.18	\$254,191	\$0.17	\$231,399	\$0.16	\$227,948	\$0.16
Parking Expenses	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Security	\$974,979	\$0.66	\$1,021,224	\$0.69	\$1,094,856	\$0.74	\$1,103,057	\$0.75
Employee Payroll	\$558,927	\$0.38	\$574,847	\$0.39	\$565,818	\$0.38	\$594,777	\$0.40
General and Administrative	\$396,032	\$0.27	\$447,605	\$0.30	\$415,810	\$0.28	\$485,428	\$0.33
Management	\$1,227,737	\$0.84	\$1,348,421	\$0.92	\$1,417,180	\$0.96	\$1,270,917	\$0.86
Real Estate Taxes	\$1,709,459	\$1.16	\$2,026,758	\$1.38	\$1,971,917	\$1.34	\$1,959,180	\$1.33
Insurance	\$311,223	\$0.21	\$308,044	\$0.21	\$314,144	\$0.21	\$332,785	\$0.23
Non-Pass Through Expenses	<u>\$876,170</u>	<u>\$0.60</u>	<u>\$917,992</u>	<u>\$0.62</u>	<u>\$886,763</u>	<u>\$0.60</u>	<u>\$925,750</u>	<u>\$0.63</u>
Total Expenses	\$16,217,369	\$11.03	\$17,322,844	\$11.78	\$17,397,755	\$11.84	\$17,293,570	\$11.76
Excluding R.E. Taxes	\$14,507,910	\$9.87	\$15,296,086	\$10.41	\$15,425,837	\$10.49	\$15,334,390	\$10.43
Net Operating Income	\$10,760,597	\$7.32	\$11,398,890	\$7.75	\$12,591,109	\$8.57	\$12,655,330	\$8.61

Total operating expenses have range from \$11.03 to \$11.84 per square foot between 2014 and 2016, with a 2017 budget projection of \$11.76 per square foot.

Including real estate taxes, 2015 for 1001 Liberty Center (532,000 square feet) in Downtown Pittsburgh were \$11.60 per square foot. For 601 Grant Street (165,000 square feet) in Downtown Pittsburgh, the 2015 total operating expenses were \$10.92 per square foot. The subject's 2015 expense of \$11.78 per square foot is just above the range of these two competitive properties and therefore appears to be operating consistent with market parameters.

PROJECTED OPERATING EXPENSES

The following discusses the projections for operating expenses and is a summary of our expense estimates as applied to the subject property based upon the actual net rentable area of 1,469,936 square feet. We note that ownership utilizes alternate (smaller) building sizes in determining tenant reimbursements so as to exclude certain areas and more closely approximate actual gross building areas.

Real Estate Taxes:

The real estate tax payment was based on the projected real estate tax payment (see “ASSESSED VALUE AND REAL ESTATE TAXES” section). For 2017/2018, the calculated real estate taxes and BID taxes amount to \$2,116,296 per annum, which translates to \$1.44 per square foot. The real estate tax projections are further apportioned as follows:

Real Estate Taxes	Pro Rata %	Allocation
Building 1	23.02%	\$487,118
Building 2	22.03%	\$466,187
Building 3	25.18%	\$532,847
Building 4	29.78%	\$630,143
Total		\$2,116,296

As the property consists of three separate tax lots including the parking garage, the percentage allocations differ slightly than based upon total net rentable area.

Cleaning and Janitorial:

Ownership contracts for building cleaning and janitorial services. The subject’s historical expense for this category ranged from \$1.78 to \$2.02 per square foot, averaging \$1.89 per square foot, with a budgeted amount of \$2.08 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$3,060,437 or \$2.08 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

Cleaning/Janitorial	Pro Rata %	Allocation
Building 1	24.06%	\$736,341
Building 2	21.80%	\$667,175
Building 3	25.18%	\$770,618
Building 4	28.96%	\$886,303
Total		\$3,060,437

Repairs and Maintenance:

This expense varies depending on the age and quality of each building, management philosophy, services provided, and accounting methodology. Some management companies expense items which typically are included as a capital cost. In addition, repairs and maintenance costs may change from year to year; in some cases, repairs that require attention may be postponed due to cash flow considerations. In projecting a repairs and maintenance cost for the subject, we considered the age and condition of the building as well as services provided. For the subject property, this expense includes landscaping and snow removal, trash removal, building supplies, contract services and exterior repairs.

The subject's historical expense for this category ranged from \$1.71 to \$1.90 per square foot, averaging \$1.79 per square foot, with a budgeted amount of \$1.69 per square foot. Based upon the foregoing, with recent capital improvements performed, the budgeted 2017 projection of \$2,480,583 or \$1.69 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

Repairs/Maint.	Pro Rata %	Allocation
Building 1	24.06%	\$596,828
Building 2	21.80%	\$540,767
Building 3	25.18%	\$624,611
Building 4	28.96%	<u>\$718,377</u>
Total		\$2,480,583

Utilities:

Utilities include heating fuel, air conditioning, and common and tenant electric. The subject's historical utilities expenses have consistently ranged from \$3.22 to \$3.45 per square foot, averaging \$3.31 per square foot. Ownership has budgeted this expense at \$3.30 per square foot for 2017. Based upon the foregoing, we will adapt ownership's budgeted projection of \$4,852,708 or \$3.30 per square foot, as it is consistent with historical operations. This equates to the following projections for each subject building:

Utilities	Pro Rata %	Allocation
Building 1	24.06%	\$1,167,562
Building 2	21.80%	\$1,057,890
Building 3	25.18%	\$1,221,912
Building 4	28.96%	<u>\$1,405,344</u>
Total		\$4,852,708

Common Area Maintenance:

This expense is for upkeep of the various common areas including the courtyards. The subject historical expense ranged from \$0.16 to \$0.18 per square foot, averaging \$0.17 per square foot, with a 2017 ownership budgeted projection of \$0.16 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$227,948 or \$0.16 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

CAM Expense	Pro Rata %	Allocation
Building 1	24.06%	\$54,844
Building 2	21.80%	\$49,693
Building 3	25.18%	\$57,397
Building 4	28.96%	\$66,014
Total		\$227,948

Security:

This expense is for contract services for the on-site security staff. The subject historical expense ranged from \$0.66 to \$0.74 per square foot, averaging \$0.70 per square foot, with a 2017 ownership budgeted projection of \$0.75 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$1,103,057 or \$0.75 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

Security	Pro Rata %	Allocation
Building 1	24.06%	\$265,396
Building 2	21.80%	\$240,466
Building 3	25.18%	\$277,750
Building 4	28.96%	\$319,445
Total		\$1,103,057

Employee Payroll:

This expense is for employee salaries associated with the operation of the property, including porters, maintenance, office personnel, etc. The subject historical expense ranged from \$0.38 to \$0.39 per square foot, averaging \$0.39 per square foot, with a 2017 ownership budgeted projection of \$0.40 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$594,777 or \$0.40 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

Employee Payroll	Pro Rata %	Allocation
Building 1	24.06%	\$143,103
Building 2	21.80%	\$129,661
Building 3	25.18%	\$149,765
Building 4	28.96%	<u>\$172,248</u>
Total		\$594,777

General and Administrative:

This category accounts for other office and administrative expenses, dues and subscriptions, uniforms, supplies and other miscellaneous sundry expenses. The subject historical expense ranged from \$0.27 to \$0.30 per square foot, averaging \$0.29 per square foot, with a 2017 ownership budgeted projection of \$0.33 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$485,428 or \$0.33 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

General/Admin.	Pro Rata %	Allocation
Building 1	24.06%	\$116,794
Building 2	21.80%	\$105,823
Building 3	25.18%	\$122,231
Building 4	28.96%	<u>\$140,580</u>
Total		\$485,428

Management:

Management fees are typically based upon a percentage of total revenues collected. Management companies can charge anywhere from 1.0% to 5.0% of effective gross income, depending on the property location and income profile.

The subject historical expense ranged from \$0.84 to \$0.96 per square foot, averaging \$0.91 per square foot, with a 2017 ownership budgeted projection of \$0.86 per square foot. Typically, ownership expenses a fee equal to 2.5% of gross income. Therefore, we will project management expenses equal to 2.5% of effective gross income for each building. This equates to the following projections for each subject building as follows:

Management	Allocation
Building 1	\$166,509
Building 2	\$139,029
Building 3	\$173,954
Building 4	<u>\$230,993</u>
Total	\$710,485

Insurance:

The subject historical insurance expense consistently averaged \$0.21 per square foot between 2014 and 2016, with a 2017 ownership budgeted projection of \$0.23 per square foot. Based upon the foregoing, the budgeted 2017 projection of \$332,785 or \$0.23 per square foot will be utilized as it is consistent with historical operations. This equates to the following projections for each subject building:

Insurance	Pro Rata %	Allocation
Building 1	24.06%	\$80,068
Building 2	21.80%	\$72,547
Building 3	25.18%	\$83,795
Building 4	28.96%	<u>\$96,375</u>
Total		\$332,785

Non-Recoverable Expenses:

This expense is for non-passed through items which typically include professional fees, consulting fees, etc. The subject historical expense ranged from \$0.60 to \$0.62 per square foot, averaging \$0.61 per square foot, with a 2017 ownership budgeted projection of \$0.63 per square foot. We have been informed that not all of the non-pass through expenses are accounted for. ARGUS files provided by ownership indicate that the actual non-pass through expenses are roughly \$0.05 per square foot (approximately \$66,000 total in 2015). Since virtually all other operating expenses are accounted for and passed through to the tenants, we will project this expense at \$0.10 per square foot, which translates to \$146,994 per annum.

Non-Recoverable	Pro Rata %	Allocation
Building 1	24.06%	\$35,367
Building 2	21.80%	\$32,045
Building 3	25.18%	\$37,013
Building 4	28.96%	<u>\$42,569</u>
Total		\$146,994

Structural Reserves:

This expense provides for the periodic replacement of building components that wear out more rapidly than the building itself and that must be replaced periodically during the building's economic life. Based upon the large parking garage area, we will estimate this expense at \$0.20 per gross square foot. This item is non-recoverable.

Structural	Pro Rata %	Allocation
Building 1	24.06%	\$70,733
Building 2	21.80%	\$64,089
Building 3	25.18%	\$74,026
Building 4	28.96%	<u>\$85,139</u>
Total		\$293,987

EXPENSE GROWTH RATES

Real estate taxes are projected to increase at 3.0% per annum. With the exception of the management expense, which is a percentage of effective gross income, the balance of the operating expenses are also projected to escalate at a rate of 3.0% per annum.

DISCOUNT RATE

In order to develop an indication of value by the Income Capitalization Approach, it is necessary to establish an acceptable yield rate to discount the annual cash flows and the reversion value.

Typical investors require a rate of return for investment quality property such as the subject which is greater than the safe or "riskless" rates offered for long term treasury notes and bonds or high grade corporate bonds. The difference between an investor's required rate of return and the safe rate is basically the premium necessary to compensate the investor for the added risks of inflation, management, and lack of liquidity offered by a real estate investment. The following rates have been used as market indicators (Ycharts, Bloomberg, St. Louis FED, December 2017):

Indicator	Rate (%)
Prime Rate	4.25%
Federal Funds	1.16%
10-yr. T-Note	2.37%
20-yr. T-Note	2.57%
30-yr. T-Note	2.77%
Corporate Bonds (Moody's - AAA)	3.57%
Corporate Bonds (Moody's - BAA)	4.27%
Municipal Bonds	2.74%

Source: Ycharts, Bloomberg, St. Louis FED, December 2017

1. The Federal Funds Rate is a foundational rate determining the cost of funds by Federal Reserve banks to depository institutions.
2. The Prime Rate is a base rate posted by large banks for loans to corporations. It is a rate for business loans to banks' most creditworthy customers. It is no longer a lending rate, per se but a base rate, from which other rates are adjusted.
3. The 10-, 20- and the 30-year Treasury Notes are long-term obligations that are guaranteed by the federal government.
4. Corporate Bonds are long-term securities protected by the creditworthiness of the issuer. Considering the quality of the tenant, we have utilized AAA quality returns.
5. Municipal Bonds are free of tax liabilities and, therefore, the return is typically less than investment opportunities which are taxable.

INVESTOR SURVEYS

Another source of anticipatory yield rates is provided by the Real Estate Research Corporations' and Korpacz Real Estate Investment Survey which summarize expected rates of return, including capitalization rates and income and expense growth rates, from a representative sample of institutional investors. The rates reflect acceptable expectations of yields desired by investors currently in the marketplace.

Survey	Property Type	Discount Rate (IRR)
Korpacz (PWC)	National CBD	5.50% to 9.00%
Fourth Quarter 2017	Office Market	7.05% average
R.E.R.C.	National CBD	6.50% to 8.50%
Fourth Quarter 2017 Flash	Office Market	7.50% average

In selecting an appropriate yield rate, we have considered the foregoing yields as well as the subject property's location, age, and condition relative to competing properties. In the development of the yield rate for the subject property, consideration was given to the risk, liquidity, and time and expense of asset management inherent with income-producing property investment. The summation approach was utilized to account for yield expectations associated with these investment considerations as applied to a leased fee property. As indicated in the investment surveys, discount rates for central business district office properties nationally typically range from 5.50% to 9.00% for institutional quality investments, with the predominant rate between 7.05% and 7.50%.

A 4.00% basic rate was used based on the return exhibited by the rates reflective of a “safe” alternative investment. The 4.00% basic rate is increased by 100 points for asset management, 100 basis points for liquidity and 100 basis points for risk. This approach results in a 7.00% yield rate. We note that this is at the middle of the range of the investor surveys. The subject is a near trophy level, Class A quality property with good quality tenancies and is over 84% leased. However, the property has over 225,000 square feet of vacant office space for lease, in conjunction with significant near term lease expirations in Building 2 in 2018 (over 116,000 square feet). To account for the additional risk and uncertainty, we have adjusted the discount rate upward by 100 basis points to 8.00%.

The consensus of those actively engaged in the marketplace for commercial properties is that internal rates of return (based upon forecasting techniques and assumptions similar to those utilized herein) fall within a broad range depending upon numerous risk factors, including, among others:

- **Location:** the better the location, the lower the IRR. The Pittsburgh CBD submarket includes Downtown Pittsburgh (Allegheny county seat) and is generally the most desirable urban location in Western Pennsylvania with among the highest office rental rates. Additionally, the area is afforded very good transportation linkages. As a primary office market, the location is considered to be above average, attracting government agencies, larger corporate users and smaller professional tenants.
- **Physical Characteristics of the Subject Property:** the newer the property, the higher the quality of construction and finishes, and the better the design and layout of the physical plant, the lower the IRR. The subject is a Class A facility that is well maintained and in good overall condition.
- **Degree of Forecasted Cash Flow Growth:** the greater the growth forecasted, the higher the IRR. The degree of cash flow growth is based on historic trends and current economic conditions. The tenancy is high quality with a modestly growing income stream, indicating stability to the overall cash flow, tempered by existing and near term vacancies.

- **Amount of Equity Investment Required:** the greater the required equity investment (that portion of the total acquisition cost not typically funded by conventional financing), the higher the IRR.
- **Length of Projection Period:** the longer the projection period, the higher the IRR.
- **Type of Investment:** the riskier the perceived return on investment for a particular type of real estate, the higher the IRR.

In our opinion, due to the subject property's: (a) very good Pittsburgh CBD submarket office location; (b) good to very condition; (c) the caution used in forecasting rental rates and vacancy, while considering the large amount of income growth (d) the average amount of equity that would be required in today's economic climate; (e) relatively typical holding period and (f) below average risk due to quality tenancies in place, we believe that an 8.00% discount rate is appropriate for the subject property.

TERMINAL CAPITALIZATION RATE AND ESTIMATED REVERSION

Survey	Property Type	Terminal Capitalization Rate
Korpacz (PWC)	National CBD	4.75% to 8.00%
Fourth Quarter 2017	Office Market	6.16% average
R.E.R.C.	National CBD	5.50% to 7.50%
Fourth Quarter 2017	Office Market	6.60% average

As indicated in the investment surveys, terminal capitalization rates for central business district office properties nationally typically range from 4.75% to 8.00% for institutional quality investments, with the predominant rate between 6.16% and 6.60%. The subject property represents a quality property which is well located and would require a capitalization rate toward the middle of the range. Upon reversion, the property will be leased at market levels. Therefore, we will utilize a 7.00% terminal capitalization rate to capitalize the reversionary year's projected net operating income into a reversion value. From this reversion we have deducted a 4.0% sales cost which includes commissions and transfer taxes.

SUMMARY OF DISCOUNTED CASH FLOW ASSUMPTIONS

Gross Leasable Area:	1,469,936 square feet
Market Rent Growth Rate:	3.0%
Discount Rate:	8.00%
Terminal Capitalization Rate:	7.00%
Renewal Probability:	75%
Lag Vacancy:	We assumed an 8-month vacancy factor between leases for all subject tenant spaces.
Expenses:	Year 1 expenses will be entered according to the per square foot estimates summarized earlier.
Expense Growth Rate:	3.0%
Tax Growth Rate:	3.0%
Management Costs:	2.5%
Leasing Commissions:	Leasing commissions for 5 and 10 year deals are projected at 5.8% of the aggregate rent, with 2.9% commissions will be applicable to renewals.
Holding Period:	10 years
Cost of Sales:	4.0%
MARKET LEASING ASSUMPTIONS	
Office Space:	\$21.00 per square foot (Buildings 1, 2, 3) \$25.00 per square foot (Building 4) 5 and 10 year terms Real Estate tax increases and operating expenses over base year, 3.0% annual rent increases. \$25.00 to \$35.00 per square foot for new leases, \$10.00 to \$15.00 per square foot for renewals. No free rent abatement has been forecast.

Retail Space:	\$10.00 to \$27.50 per square foot 5 to 10 year terms Pro rata share of real estate taxes and operating expense increases above a base year. Some tenants on a gross basis. No tenant improvement allowances (space to be leased “as is”). No free rent abatement has been forecast.
Value Conclusion:	\$226,750,000

DISCOUNTED CASH FLOW

For the Years Ending	Year 1 Dec-2018	Year 2 Dec-2019	Year 3 Dec-2020	Year 4 Dec-2021	Year 5 Dec-2022	Year 6 Dec-2023	Year 7 Dec-2024	Year 8 Dec-2025	Year 9 Dec-2026	Year 10 Dec-2027
Gross Revenue										
Potential Rental Revenue	\$26,782,514	\$27,536,049	\$28,474,743	\$29,537,539	\$30,957,243	\$32,144,523	\$34,178,745	\$35,390,417	\$36,469,579	\$37,653,857
Absorption & Turnover Vacancy	(2,514,072)	(1,072,621)	(508,939)	(735,471)	(389,260)	(1,448,895)	(899,680)	(355,982)	(338,957)	(239,084)
Base Rent Abatements	(51,405)									
Scheduled Base Rental Revenue	24,217,037	26,463,428	27,965,804	28,802,068	30,567,983	30,695,628	33,279,065	35,034,435	36,130,622	37,414,773
Expense Reimbursement Revenue	910,123	1,018,784	1,318,589	1,300,022	1,695,791	1,879,564	1,686,770	2,002,315	2,399,396	2,822,450
Miscellaneous Revenue	3,292,230	3,353,573	3,416,380	3,480,697	3,546,561	3,614,012	3,683,098	3,753,864	3,826,355	3,900,623
Total Gross Revenue	28,419,390	30,835,785	32,700,773	33,582,787	35,810,335	36,189,204	38,648,933	40,790,614	42,356,373	44,137,846
Effective Gross Revenue	28,419,390	30,835,785	32,700,773	33,582,787	35,810,335	36,189,204	38,648,933	40,790,614	42,356,373	44,137,846
Operating Expenses										
Reimbursable Expenses	15,964,503	16,482,531	17,000,506	17,508,047	18,063,792	18,588,317	19,180,318	19,780,285	20,382,246	21,006,481
Office & Retail Expenses	146,994	151,403	155,946	160,623	165,443	170,406	175,518	180,784	186,208	191,794
Total Operating Expenses	16,111,497	16,633,934	17,156,452	17,668,670	18,229,235	18,758,723	19,355,836	19,961,069	20,568,454	21,198,275
Net Operating Income	12,307,893	14,201,851	15,544,321	15,914,117	17,581,100	17,430,481	19,293,097	20,829,545	21,787,919	22,939,571
Leasing & Capital Costs										
Tenant Improvements	4,808,472	4,427,353	2,214,717	3,729,262	1,684,649	6,631,653	4,085,918	1,322,491	1,603,047	1,034,968
Leasing Commissions	1,407,353	1,413,486	786,556	1,470,276	758,543	2,778,159	1,442,006	433,754	595,774	433,930
Capital Costs & Reserves	293,988	302,806	311,892	321,247	330,885	340,812	351,036	361,567	372,414	383,586
Total Leasing & Capital Costs	6,509,813	6,143,645	3,313,165	5,520,785	2,774,077	9,750,624	5,878,960	2,117,812	2,571,235	1,852,484
Cash Flow Before Debt Service & Taxes	\$5,798,080	\$8,058,206	\$12,231,156	\$10,393,332	\$14,807,023	\$7,679,857	\$13,414,137	\$18,711,733	\$19,216,684	\$21,087,087

PRESENT VALUE CALCULATION

Prospective Present Value
Cash Flow Before Debt Service plus Property Resale
Discounted Annually (Endpoint on Cash Flow & Resale) over a 10-Year Period

Analysis Period	For the Year Ending	Annual Cash Flow	P.V. of Cash Flow @ 8.00%
Year 1	Dec-2018	\$5,798,080	\$5,368,593
Year 2	Dec-2019	8,058,206	6,908,612
Year 3	Dec-2020	12,231,156	9,709,486
Year 4	Dec-2021	10,393,332	7,639,410
Year 5	Dec-2022	14,807,023	10,077,411
Year 6	Dec-2023	7,679,857	4,839,612
Year 7	Dec-2024	13,414,137	7,827,020
Year 8	Dec-2025	18,711,733	10,109,368
Year 9	Dec-2026	19,216,684	9,613,126
Year 10	Dec-2027	21,087,087	9,767,401
Total Cash Flow		131,397,295	81,860,039
Property Resale		312,774,486	144,875,105
Total Property Present Value			\$226,735,144
			=====
Rounded to Thousands			\$226,750,000
			=====
Per SqFt			\$154.26

SUMMARY OF CASH FLOW RESULTS

Using a discount rate of 8.00% and a reversion rate of 7.00%, the present value of the cash flow is \$226,750,000 which equates to approximately \$154.26 per square foot based upon a total net rentable area of 1,469,936 square feet.

CALCULATION OF REVERSION

For each property, we have projected a sales and transfer cost of 4.0%. This consists of marketing, sales commissions and transfer taxes payable. The combined net operating income for Year 11 is \$22,806,473. Capped at 7.0%, the reversion sale price is \$325,806,757. Deducting 4.0% for commissions, marketing and transfer taxes equals \$13,032,270. Subtracting the sales costs of \$13,032,270 from the sale price of \$325,806,757 indicates a net sale price of \$312,774,486.

STABILIZED INCOME & EXPENSE STATEMENT

The Discounted Cash Flow method most accurately accounts for the variation in net operating income over a typical holding period. However, Income Capitalization will be used as support for the value derived via discounted cash flow. The first year of the discounted cash flow is presented as follows:

RECONSTRUCTED OPERATING STATEMENT 2017/2018

For the Years Ending	Year 1 Dec-2018
Gross Revenue	
Potential Rental Revenue	\$26,782,514
Absorption & Turnover Vacancy	(2,514,072)
Base Rent Abatements	(51,405)
Scheduled Base Rental Revenue	24,217,037
Expense Reimbursement Revenue	910,123
Miscellaneous Revenue	3,292,230
Total Gross Revenue	28,419,390
Effective Gross Revenue	28,419,390
Operating Expenses	
Reimbursable Expenses	15,964,503
Office & Retail Expenses	146,994
Total Operating Expenses	16,111,497
Net Operating Income	12,307,893

DIRECT CAPITALIZATION

Direct or yield capitalization converts a single year's income to value in one step by using a rate or a factor. Assumptions of direct capitalization are that it is market oriented and it infers investor's assumptions based upon the market. Yield capitalization is a method used to convert future benefits into a present value by discounting at an appropriate yield rate or by developing an Ro that explicitly reflects the investment's income, value change, and yield rate. This is accomplished by a formula with explicit assumption of change in income and value.

The method of capitalization employed in this report is the mortgage-equity technique commonly referred to as the Akerson formula of the Ellwood method. This technique considers the return of equity including any potential appreciation or depreciation in property value over the income projection period as well as the effects of financing through mortgage amortization and equity benefits. The following criteria were used to determine the capitalization rate for the subject property.

Financing.- Lending institutions typically lend at a 60% to 80% loan to value ratio. Interest rates, in a recent period of time, ranged from 3.50% to 5.50% with loan terms at ten years with 25- to 30-year payout schedules. Discussions with market participants indicate that mortgage interest rates are typically based upon spreads over the 10-year treasury rates. On the date of value, 10-year Treasury rates were 2.37%. The typical spread for commercial buildings in this region is approximately 150 to 250 basis points, suggesting an interest rate of 3.87% to 4.87%. A 75% loan to value ratio, a 4.50% interest rate, and a 25-year payout is appropriate. The mortgage constant is 0.0667. The rate is also reflective of the historical and existing vacancy at the property.

Holding Period - Most investors/purchasers intend to hold a property for a period that typically ranges from five to twenty years. We have selected a period of 10 years.

Equity Yield – Investors typically require a rate of return for investment quality property such as the subject which is greater than the safe rates offered for long-term treasury notes and bonds or high-grade corporate bonds. The difference between an investor's required rate of return and the safe rate is basically the premium necessary to compensate the investor for the added risks of lack of liquidity offered by a real estate investment. Based on our previous discussion of yield rates within the discounted cash flow analysis, we have selected a 9.50% yield rate reflective of the additional return an investor seeks on the equity portion of the investment.

Change in Value Potential – Based on the activity within the local market, and because some of the subject leases are above market rates while others are below market, a nominal appreciation factor of 5% has been forecast over the holding period.

OVERALL CAPITALIZATION RATE (R_o) CALCULATION

<u>DEVELOPMENT OF CAPITALIZATION RATE</u>						
Mortgage Funds	0.75	×	0.0667		=	0.0500
Equity Funds	0.25	×	0.0950		=	<u>0.0238</u>
Weighted Rate						0.0738
Less Adjustment for Mortgage Amortization	0.2734	×	0.75	×	0.0643	= <u>0.0132</u>
Adjusted Rate						0.0606
Less Adjustment for Appreciation	0.05	×	0.0643		=	<u>0.0032</u>
Capitalization Rate						0.0574
(rounded to)						5.75%

Debt Service Coverage Method

As lenders will lend based on its underwriting standards, this factor plays a role in developing an overall capitalization rate. The most often applied standards are the Debt Service Coverage Ratio (DSCR) and the Loan-to-Value Ratio. The DSCR is a proprietary-underwriting standard, generally established by the lending institution, varying according to property type, age, location, and the quality of stream of income. The Loan-to-Value Ratio is generally an imposition of a regulatory body and therefore is a limiting factor as opposed to an indicator of value. The Debt Service Coverage Ratio will be the focus here. The lender wants the amount of the debt service, the annualized monthly payments on the mortgage loan, to be more than fully covered by the Net Operating Income from the property.

If an investor must meet a Loan-to-Value Ratio standard, iterations employing this method will direct the investor towards the optimum balance of LTV, DSCR, Rate, Term, loan amount and required equity. Employing the Income Capitalization Method using the Loan-Underwriter's Method to determine the capitalization rate will resolve the matter more readily, albeit with complete disregard for the return on equity, which is a secondary by-product. The estimate capitalization rate using the debt service coverage formula is $DSCR \times LTV \times \text{mortgage constant}$.

Typical DSCR's in the Pennsylvania region for similar properties are 1.20 and LTV's average 75%. Employing these assumptions as well as the mortgage constant calculated above to be 0.0667 suggests the following calculation.

Debt Service Coverage Ratio		Loan to Value Ratio		Mortgage Constant		Implied Overall Capitalization Rate	Rounded
1.20	×	75%	×	0.0667	=	0.0600	6.00%

Investor Surveys

The primary national source of going-in capitalization rates is provided by the Korpacz and Real Estate Research Corporation's investment surveys which summarize going-in capitalization rates. These rates are a representative sample of institutional investors but the subject property is not an institutional grade property. Nevertheless, these rates reflect acceptable expectations desired by investors currently in the marketplace.

Survey	Property Type	Overall Capitalization Rate
Korpacz (PWC)	National CBD	3.50% to 8.00%
Fourth Quarter 2017	Office Market	5.73% average
R.E.R.C.	National CBD	4.50% to 6.50%
Fourth Quarter 2017	Office Market	5.80% average

The investor surveys indicate going in capitalization rates range from 3.50% to 8.00%, averaging 5.73% to 5.80%. The subject is located within a desirable downtown CBD location within the county seat, a desirable office submarket with relatively low vacancy rates. Furthermore, the subject property is in very good overall condition and has a high quality tenancy.

Capitalization Rate Conclusion

The methods of estimating an overall capitalization rate are illustrated in the following table.

	Minimum	Maximum	Average	Implied
Akerson Method				5.75%
DSCR Method				6.00%
National Investor Surveys	3.50%	8.00%	5.73% - 5.80%	5.75%
Local Investor Surveys				N/A

The Akerson method indicates a 5.75% overall capitalization rate, which is adequately supported by each of the other methods of determining an overall capitalization rate. This rate is at middle of the range of the investor surveys due to the subject's quality location.

The subject represents a quality office property that has been well maintained and is within a relatively strong office location. Occupancy rates within the subject market exceed 90%. The subject also has a good quality tenancy in place. Therefore, based upon the subject's location, quality, condition and income profile, we believe that an overall going in capitalization rate of 5.75% is reasonable.

CAPITALIZATION CALCULATION

Net Operating Income		Ro		Capitalized Value	Rounded
\$12,307,893	÷	5.75%	=	\$214,050,313	\$214,100,000

CORRELATION OF INCOME VALUES

The indicated values by the method utilized are:

Value Estimates Via the Income Capitalization Approach	
Direct Capitalization	\$214,100,000
Discounted Cash Flow	\$226,750,000

The values derived by the two income valuation methods produced values within 6%±. Typically, less reliance is typically placed on the value arrived at by capitalizing net income since this method does not adequately reflect expected changes in income levels or resale value. Additionally, the Discounted Cash Flow method most closely approximates the investment criteria and motivations of an investor for an income-producing building such as the subject. Further, the presence of long-term leased space gives further credence to the Discounted Cash Flow. However, investors also consider the in place income in their purchase decisions and thus the direct capitalization method is also weighted.

Based upon the preceding analysis, it is our opinion that market participants will weigh both income methodologies. We have therefore reconciled a concluded “as is” fair value via the Income Capitalization Approach at the middle of the concluded values.

Therefore, the “as is ” fair value by the Income Capitalization Approach, as of December 31, 2017 is:

TWO HUNDRED TWENTY MILLION DOLLARS
\$220,000,000

ALLOCATION OF FAIR VALUE – LEASED SPACE AND VACANT SPACE

Within the following section, we have been asked to allocate the fair value attributable to the leased space and the fair value attributable to the vacant area. The subject facility has an aggregate net leasable area of 1,469,936 square feet, and existing vacant space of 229,346 square feet. As the leased space is inherently more valuable due to existing rent generation, we have applied a 10% premium to value of the leased space allocation, with the difference representing the value of the vacant area. The calculations are presented as follows:

Leased Space versus Vacant Space Allocation 12/31/2017	
Total Leasable Area (SF):	1,469,936
Leased Space (SF):	1,240,590
Vacant Space (SF):	229,346
Occupancy Rate	84.40%
Vacancy Rate	15.60%
Property Fair Value:	\$220,000,000
PSF Allocation - Leased:	\$185,674,614
Adjusted (Premium)	\$204,242,076
PSF Allocation - Vacant:	\$34,325,386
Adjusted (Discount)	\$15,757,924
Property Fair Value:	\$220,000,000

THE SALES COMPARISON APPROACH

The Sales Comparison Approach is defined as:

"A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, then applying appropriate units of comparison and making adjustments to the sale prices of the comparable sales based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when an adequate supply of comparable sales are available."⁴

The Sales Comparison Approach is based on the principle of substitution. This principle implies that a knowledgeable investor will pay no more for a property than the price that would be paid for a substitute property of similar utility and desirability. The procedure involved in this approach is to research the market for sales of properties which are comparable to the subject, select appropriate units of comparison, adjust the sale prices to the subject, and then reconcile the range of adjusted sale prices into a single indication of value for the subject property.

Unit of Comparison

To analyze the comparable sales, it is generally considered necessary to convert the sales prices into an appropriate unit of comparison. The effect of this process is to adjust for differences among the sales and make the sale prices more similar to the subject property. The comparable sales will be analyzed on the basis of price per square foot of building area, the unit of comparison most commonly used to analyze sales of office buildings in the subject's market area. The subject property contains an estimated 1,469,936 square feet of net rentable area, not including the parking garage structure.

COMPARABLE SALES

A thorough search of the Western Pennsylvania broader market revealed few recent, relevant sales data of high rise, Class A, central business district (CBD) office buildings. The comparable sales are all located in Pittsburgh and summarized on the following pages. Photographs of each of the sales along with pertinent information on the transactions, a map indicating the location of each sale in relation to the subject and an adjustment grid for the sale prices are presented in this section. After analyzing the sales information, an indication of the value can be derived.

⁴ Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed., s.v. "sales comparison approach" (Chicago: Appraisal Institute, 2015). CD-ROM

COMPARABLE SALE NO. 1
11 STANWIX STREET
PITTSBURGH, ALLEGHENY COUNTY, PA



COMPARABLE SALE NO. 1

Location:	11 Stanwix Street Pittsburgh, Allegheny County, PA
Parcel Identification:	0001-G-00239-0000-00
Date of Sale:	February 13, 2017
Grantor:	11 Stanwix LLC (GLL R.E. Partners)
Grantee:	M & J Wilkow Ltd.
Year Built:	1970
Gross Building Area (SF):	467,843 square feet
Land Area:	1.60 acres
Sale Price:	\$81,325,000
Terms:	Market financing
Occupancy:	83.0%
Document No.:	16701-0296
Sale Price PSF:	\$173.83
Overall Capitalization Rate:	N/A
Net Operating Income PSF:	N/A
Comments:	This is the sale of a 24-story, Class A office building located in Downtown Pittsburgh and known as PNC Center. The improvements were constructed in 1970 and renovated in 2011. At the time of sale, the property was 83.0% leased by 31 tenants. The building has ground floor retail space. Features include a four level parking garage with 500 spaces and atrium lobby.

COMPARABLE SALE NO. 2
1001 LIBERTY AVENUE
PITTSBURGH, ALLEGHENY COUNTY, PA



COMPARABLE SALE NO. 2

Location:	1001 Liberty Avenue Pittsburgh, Allegheny County, PA
Parcel Identification:	0009-P-00050-0000-00
Date of Sale:	December 27, 2016
Grantor:	IX Liberty Center Owner, LP (Starwood)
Grantee:	CBRE Global Investors Ltd.
Year Built:	1986
Gross Building Area (SF):	532,000 square feet
Land Area:	2.41 acres
Sale Price:	\$96,900,000
Terms:	Market financing
Occupancy:	85.6%
Document No.:	16658-0457
Sale Price PSF:	\$182.14
Overall Capitalization Rate:	N/A
Net Operating Income PSF:	N/A
Comments:	This is the sale of a 27-story, Class A office building located in Downtown Pittsburgh and known as the Federated Investors Tower (formerly Liberty Center). The improvements were constructed in 1986 and renovated in 2001. At the time of sale, the property was 85.6% leased by 23 tenants. The building has ground floor retail space. Amenities include an underground parking garage (479 spaces), food service, and use of the adjacent Westin Convention Center facilities (health club, ball room, meeting rooms, retail shopping arcade).

**COMPARABLE SALE NO. 3
301 GRANT STREET
PITTSBURGH, ALLEGHENY COUNTY, PA**



COMPARABLE SALE NO. 3

Location:	301 Grant Street Pittsburgh, Allegheny County, PA
Parcel Identification:	0002-J-00104-0000-00
Date of Sale:	January 18, 2016
Grantor:	Oxford Development Company
Grantee:	Shorenstein Properties LLC
Year Built:	1983
Gross Building Area (SF):	1,011,000 square feet
Land Area:	1.10 acres
Sale Price:	\$148,752,900
Terms:	Market financing
Occupancy:	81.0%
Document No.:	16267-0254
Sale Price PSF:	\$147.13
Overall Capitalization Rate:	N/A
Net Operating Income PSF:	N/A
Comments:	This is the sale of a 45-story, Class A office building located in Downtown Pittsburgh and known as One Oxford Centre. The improvements were constructed in 1983. At the time of sale, the property was 81.0% leased by 59 tenants. The building has 59,000 square feet of retail space. Amenities include an attached parking garage (840 spaces), food court with sports bar, newsstand and banking services. The buyer was a tenant in the building but this reportedly did not affect the sale price.

COMPARABLE SALE NO. 4
20 STANWIX STREET
PITTSBURGH, ALLEGHENY COUNTY, PA



COMPARABLE SALE NO. 4

Location:	20 Stanwix Street Pittsburgh, Allegheny County, PA
Parcel Identification:	0001-G-00235-0000-00
Date of Sale:	August 14, 2015
Grantor:	National City Center, LP
Grantee:	M & J Wilkow, Ltd.
Year Built:	1982
Gross Building Area (SF):	368,840 square feet
Land Area:	0.73 acre
Sale Price:	\$38,100,000
Terms:	Market financing
Occupancy:	91.0%
Document No.:	16090-0001
Sale Price PSF:	\$103.30
Overall Capitalization Rate:	N/A
Net Operating Income PSF:	N/A
Comments:	This is the sale of a 20-story, Class A office building located in Downtown Pittsburgh and known as The PNC Center. The improvements were constructed in 1982 and renovated in 2006. At the time of sale, the property was 91.0% leased by 15 tenants. The building has ground floor retail space. Amenities include a fitness center, food service and 150 space parking garage. The buyer plans a \$5 to \$7 million capital expenditure program to update the common areas of the facility (lobby, elevators, fitness center, cafeteria).

Summary of Comparable Sales

No.	Address	Sale Date	Sale Price	Gross Building	
				Area (SF)	Sale Price PSF OAR
1	11 Stanwix Street	2/13/2017	\$81,325,000	467,843	\$174 N/A
2	1001 Liberty Avenue	12/27/2016	\$96,900,000	532,000	\$182 N/A
3	301 Grant Street	1/18/2016	\$148,752,900	1,011,000	\$147 N/A
4	20 Stanwix Street	8/14/2015	\$38,100,000	368,840	\$103 N/A

Adjustments

Adjustments to the comparable sales have been considered based on comparison to the subject for property rights, financing terms, conditions of sale, market conditions, location, size, zoning and utility.

Property Rights Appraised:

The purpose of this adjustment is to account for differences in the property rights which were transferred with the sale. All of the comparable properties have leased fee interests (encumbered by leases) as is the subject property. No adjustments are noted.

Financing:

The purpose of adjusting for financing terms is to determine cash equivalent sale prices for any special or atypical financing involved in the acquisition. All of the comparable sales involved market-rate financing and are not adjusted.

Conditions of Sale:

This adjustment refers to the motivations of the buyer and seller involved in a particular transaction. All sales appear to be arm's length transactions and did not require adjustments.

Market Conditions:

The comparable sales utilized herein sold between August 2015 and February 2017. At present, the investment market for high quality office properties within the Western Pennsylvania office submarket has remained fairly stable. Transactional activity has levelled, and overall capitalization rates remain at historic lows. The comparable sales all occurred within the past 22± months; no time adjustments have been processed.

Location:

The subject and comparable sales are all located within the Downtown Pittsburgh Central Business District (CBD), generally within 0.25 to 0.50 of a mile from the subject location. All benefit from similar accessibility to area subways and public transportation. No adjustments are noted.

Size:

This adjustment accounts for the difference in size between each of the comparable sales and the subject property. The subject contains 1,469,936 square feet of net rentable area within four buildings that range in size from 320,429 to 425,648 square feet. Buildings or units that are smaller

typically sell for a greater amount per square foot than larger buildings; however, this is less of a consideration with regard to multi-tenanted properties. The comparable sales are all relatively large properties, ranging in size from 368,840 to 1,011,000 square feet. Taken collectively, Sales 1, 2 and 4 would require nominal downward adjustments as the subject comprises nearly 1.5 million square feet. Sale 3 comprises approximately 1 million square feet and is not adjusted.

Utility:

This adjustment reflects building height or number of stories, retail to building ratio, views, exterior appeal, and the interior finishes, design and layout of each comparable as compared to the subject property. The subject and comparable sales all benefit from good exposure and accessibility. The subject consists of a good quality Class A facility with quality amenities including on-site food service, banking and garage parking.

The comparable sales are all Class A facilities and offer similar amenities. However, Sale 2 has use of extensive facilities of the adjacent Westin Convention Center and therefore is adjusted downward. Sale 4 has a comparatively small parking garage for its overall size and is adjusted upward. No other adjustments are noted.

Tenancy/Occupancy:

This adjustment is reflective of a property's leasing status/occupancy and quality of tenancy. The subject is 85.5% leased and has good quality tenants. The comparable sales range in occupancy from 81.0% to 91.0%, a range which brackets the subject's occupancy. As the sale also have good quality tenant rosters, no adjustments have been processed.

Age/Condition:

The subject buildings were constructed in 1952, 1953 and 1960, and have been renovated and updated over the years. The comparable sales were constructed in the 1970's and 1980's and have also been updated. Although Sale 4 was also built in the 1980's, the buyer needed to implement a capital improvement program to update the facility which likely affected the sale price. Accordingly, an upward adjustment is noted to Sale 4.

The comparable sale adjustment grid is presented on the following page:

COMPARABLE SALES ADJUSTMENT GRID

Sale No.	1	2	3	4
Address	11 Stanwix Street	1001 Liberty Avenue	301 Grant Street	20 Stanwix Street
	Pittsburgh, Allegheny County, PA	Pittsburgh, Allegheny County, PA	Pittsburgh, Allegheny County, PA	Pittsburgh, Allegheny County, PA
Contract Date	2/13/17	12/27/16	1/18/16	8/14/15
Building Size (SF)	467,843	532,000	1,011,000	368,840
Sale Price	\$81,325,000	\$96,900,000	\$148,752,900	\$38,100,000
Price PSF	\$173.83	\$182.14	\$147.13	\$103.30
Prop. Rights	0%	0%	0%	0%
Adjusted Price PSF	\$173.83	\$182.14	\$147.13	\$103.30
Financing	0%	0%	0%	0%
Adjusted Price PSF	\$173.83	\$182.14	\$147.13	\$103.30
Conditions of Sale	0%	0%	0%	0%
Adjusted Price PSF	\$173.83	\$182.14	\$147.13	\$103.30
Market Conditions	0%	0%	0%	0%
Adjusted Price PSF	\$173.83	\$182.14	\$147.13	\$103.30
Property Specific Adjustments				
Location	0%	0%	0%	0%
Size	-5%	-5%	0%	-5%
Utility	0%	-10%	0%	10%
Tenancy/Occupancy	0%	0%	0%	0%
Age/Condition	0%	0%	0%	10%
Total Adjust:	-5%	-15%	0%	15%
Adj. Price PSF	\$165.14	\$154.82	\$147.13	\$118.79
	Unadjusted		Adjusted	
Low:	\$103.30		\$118.79	
High:	\$182.14		\$165.14	
Average:	\$151.60		\$146.47	
Median:	\$160.48		\$150.98	
Range:	\$78.85		\$46.35	

Prior to adjustments, the comparable sales show a price range from \$103.30 to \$182.14 per square foot, with an average of \$151.60 and a median of \$160.48 per square foot. After adjustments, the comparable sales show a tighter range of \$118.79 to \$165.14 per square foot with an average of \$146.47 per square foot and a median of \$150.98 per square foot.

Based upon the foregoing, we have placed equal emphasis on these sales and have selected a value indicator at the middle of the range at \$150.00 per square foot which is reasonable considerate of the subject's very good location and good quality tenancy.

In summary, our unit value selection results in the following fair value conclusion.

Value PSF		\$150.00
Gross Building Area (SF)	×	1,469,936
Value Indicator		\$220,490,400
Rounded		\$220,500,000

The "as is" fair value of the subject property, via the Sales Comparison Approach, as of August 1, 2017, is:

TWO HUNDRED TWENTY MILLION FIVE HUNDRED THOUSAND DOLLARS
\$220,500,000

THE COST APPROACH

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple interest in the subject property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated leased fee value of the subject property to reflect the value of the property interest being appraised.”⁵

The procedure for applying the Cost Approach within the appraisal framework for the subject property is as follows:

1. A land value estimate is derived.
2. An estimate of replacement cost new is estimated after a physical inspection of the improvements or a review of the architectural drawings. Replacement cost is defined as:

*The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.*⁶

3. From replacement cost new, any accrued depreciation is deducted. These items can be segregated into physical, functional, and economic obsolescence.
4. Additional cost items would include indirect costs, developer's profit, and any other extraordinary items.
5. The final value via the Cost Approach is the sum of the land value and the depreciated cost of the improvements.

The Cost Approach is not applied herein due as the subject, as multiple condominium units, represents a portion of a larger building. The property was constructed between 1952 and 1960, and accrued physical depreciation that has occurred to the structure as a result of age and normal wear, and functional obsolescence resulting from inadequacies in designs that are less than current market standards are difficult to estimate. Furthermore, as a fully built up urban city, comparable land sale transactions seldom occur. These facts tend to make the Cost Approach a less effective and unreliable tool for estimating fair value. Further, investors in the subject market do not typically use the cost approach as a primary indication of value. Therefore, this approach was not utilized.

⁵ Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed., s.v. “cost approach” (Chicago: Appraisal Institute, 2015). CD-ROM

⁶ Ibid, s.v. “reproduction cost”

RECONCILIATION AND FINAL VALUE ESTIMATE

The estimated values derived by the approaches to value used in this report are as follows:

Income Capitalization Approach	\$220,000,000
Sales Comparison Approach	\$220,500,000
Cost Approach	Not Applicable

The Cost Approach is traditionally a good indicator of value when properties being appraised are new or close to new. Although substantially renovated, the subject improvements were constructed between 1952 and 1960 and suffer from accrued physical depreciation as a result of age and normal wear. The improvements also suffer from functional obsolescence due to inadequacies in design that are less than current market standards. Further, the subject represents a portion of a larger building. Difficulty in estimating all forms of accrued depreciation limits the reliability of this Approach. The Cost Approach, therefore, has not been utilized in this report.

The **Income Capitalization Approach** is considered an excellent indicator of value. The value indicated by the Income Capitalization Approach is a reflection of a prudent investor's analysis of an income-producing property. As an income-producing property, an analysis of income, expenses, and capitalization rates was considered to be an appropriate method for valuing the subject property.

The **Sales Comparison Approach** is considered a reliable indicator of value when few differences exist between the comparable sales and the subject, and the sales data collected is considered to be reliable and accurate. The sales used to estimate the value of the subject property were considered to be comparable to the subject in most respects. Similar property types in similar locations tend to sell within a consistent range, and this factor makes valuation reasonably accurate.

Overall, the Income Capitalization Approach is considered a better indicator of value than the Sales Comparison Approach. The value indicated by the Income Capitalization Approach is a reflection of a prudent investor's analysis of an income-producing property. Since the subject property is income-producing by nature, an analysis of income, expenses, overall capitalization rates and yield rates is considered to be an appropriate method. The presence of long-term leased space in the subject increases the need to analyze income as it relates to value. In the case of the subject, the Sales Comparison Approach value was similar to the Income Capitalization Approach value and, therefore, provides secondary support.

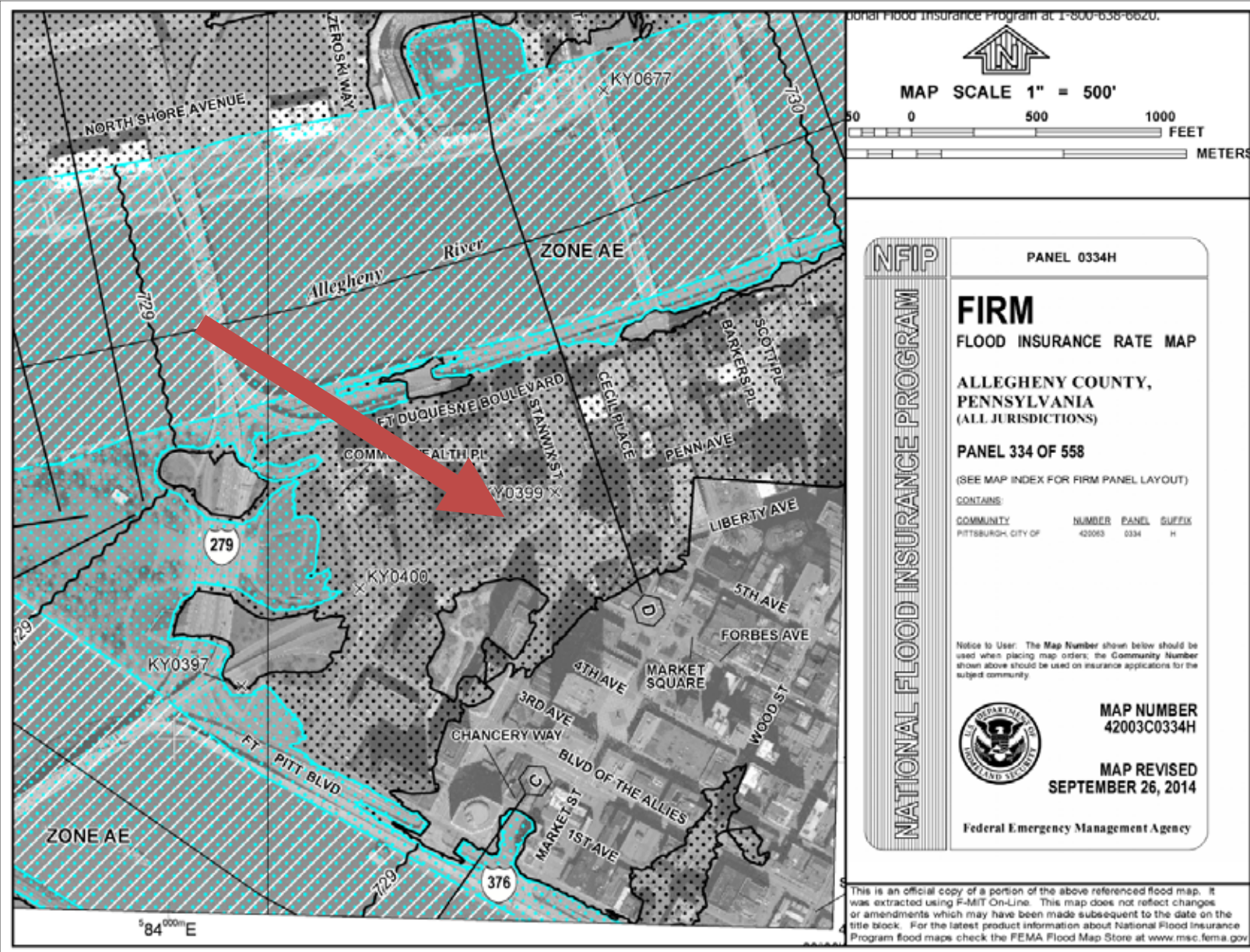
Based on our inspection of the subject property and after carefully considering all available information concerning the subject and all apparent factors affecting value, it is our opinion that the fair value of the leased fee interest of the subject property, as of December 31, 2017, is:

TWO HUNDRED TWENTY MILLION DOLLARS
\$220,000,000

ADDENDUM

1. FLOOD PLAIN MAP
2. HISTORICAL VALUES
3. FINANCIAL INFORMATION
4. CONTINGENT AND LIMITING CONDITIONS
5. CERTIFICATION
6. QUALIFICATIONS

FLOOD PLAIN MAP



HISTORICAL VALUES

Retrospective Values						
Period	December 31, 2013	December 31, 2014	December 31, 2015	June 30, 2016	December 31, 2016	June 30, 2017
Value	\$146,000,000	\$172,200,000	\$190,000,000	\$210,000,000	\$210,000,000	\$220,000,000
NOI	\$9,485,573	\$10,760,597	\$11,398,890	\$12,591,109	\$12,591,109	\$12,419,604
OAR	6.50%	6.25%	6.00%	6.00%	6.00%	5.75%

STRUCTURAL VACANCY SCHEDULE

Building 1				Building 2				Building 3				Building 4			
No.	Vacancy	Leased	Not Leased	No.	Vacancy	Leased	Not Leased	No.	Vacancy	Leased	Not Leased	No.	Vacancy	Leased	Not Leased
1	158		158	1	719		719	1	1,993	1,993		1	172		172
2	168		168	2	2,870	2,870		2	91		91	2	908		908
3	391		391	3	219		219	3	86		86	3	330		330
4	240		240	4	593		593	4	160		160	4	1,541		1,541
5	387		387	5	537		537	5	3,611	3,611		5	5,819	5,819	
6	3,783		3,783	6	2,759	2,759		6	3,398		3,398	6	10,529		10,529
7	3,886	3,886		7	3,885		3,885	7	3,900	3,900		7	1,185	1,185	
8	3,600		3,600	8	745		745	8	745		745	8	1,375	1,375	
9	1,298		1,298	9	719		719	9	1,014	1,014		9	966		966
10	3,769	3,769		10	355		355	10	3,586		3,586	10	3,167	3,167	
11	784		784	11	578		578	11	3,737	3,737		11	1,140	1,140	
12	3,797	3,797		12	429		429	12	3,885		3,885	12	13,818	13,818	
13	464		464	13	10,414	10,414		13	1,038	1,038		13	4,868		4,868
14	616		616	14	3,627	3,627		14	756		756	14	2,968		2,968
15	2,033	2,033		15	940		940	15	1,804	1,804		15	6,879		6,879
16	919		919	16	3,795	3,795		16	3,801	3,801		16	446		446
17	1,753	1,753		17	672		672	17	3,885	3,885					
18	3,797		3,797	18	962		962	18	3,801	3,801					
19	7,424	7,424		19	804		804	19	488		488				
20	553		553	20	2,995		2,995	20	188		188				
21	3,189	3,189		21	573		573	21	440		440				
22	3,736		3,736	22	584		584	22	3,780	3,780					
23	3,615		3,615	23	910		910	23	509		509				
				24	3,610		3,610	24	557		557				
				25	3,655	3,655		25	1,679		1,679				
				26	842		842	26	465		465				
				27	405		405	27	1,291	1,291					
				28	3,614	3,614		28	3,769		3,769				
				29	282		282	29	1,078	1,078					
								30	3,586	3,586					
								31	3,205		3,205				
								32	778		778				
								33	751		751				
								34	3,586	3,586					
								35	739		739				
								36	1,603	1,603					
<u>GBA</u>	Existing	Lease	Keep	<u>GBA</u>	Existing	Lease	Keep	<u>GBA</u>	Existing	Lease	Keep	<u>GBA</u>	Existing	Lease	Keep
353,684	<u>Vacant</u>	<u>Up</u>	<u>Vacant</u>	320,429	<u>Vacant</u>	<u>Up</u>	<u>Vacant</u>	370,175	<u>Vacant</u>	<u>Up</u>	<u>Vacant</u>	425,648	<u>Vacant</u>	<u>Up</u>	<u>Vacant</u>
	50,360	25,851	24,509		53,092	30,734	22,358		69,783	43,508	26,275		56,111	26,504	29,607
	Structural Vac.		6.93%		Structural Vac.		6.98%		Structural Vac.		7.10%		Structural Vac.		6.96%
	Total Leased		93.07%		Total Leased		93.02%		Total Leased		92.90%		Total Leased		93.04%
Grand Totals															
1,469,936	229,346	126,597	102,749												
	Structural Vac.		6.99%												
	Total Leased		93.01%												

SENSITIVITY ANALYSIS

Gateway Center – (#1)		31-Dec-17	30-Jun-17	30-Jun-16	2016	2015	2014
Data for 100%; Company's share of this property – 79.04%							
(Monetary data – USD thousands, unless otherwise noted)							
Valuation determined:		\$220,000,000	\$220,000,000	\$210,000,000	\$210,000,000	\$190,000,000	\$172,200,000
Valuator:			Philip Ginsberg / Joel Leitner				
Independent valuator?		Yes	Yes	Yes	Yes	Yes	Yes
Is there an indemnification agreement in place?		No	No	No	No	No	No
Effective date of valuation		31-Dec-17	30-Jun-17	30-Jun-16	31-Dec-16	31-Dec-15	31-Dec-14
(target date for valuation):							
Valuation model (comparative / income / cost / other)		comparative and income					
Key assumptions used in valuation – DCF approach (income approach)							
Gross leasable area accounted for in the calculation (sqft)		1,469,936					
Typical occupancy rate out of leasable area used for valuation (%)		84.40%	85.54%	85.20%	85.20%	88.40%	86.30%
Typical average monthly rent per square foot used for valuation (USD)		\$21.00 to \$25.00 psf	\$21.00 to \$25.00 psf	\$21.00 to \$25.00 psf	\$21.00 to \$25.00 psf	\$21.00 to \$25.00 psf	\$21.00 to \$25.00 psf
Typical NOI used for valuation		\$12,307,893	\$12,419,604	\$12,591,109	\$12,591,109	\$11,398,890	\$10,760,597
Discount Rate (%)		8.00%	8.00%	—	—	—	—
Other key variables – tax benefits (*)		N/A	N/A	N/A	N/A	N/A	N/A
Sensitivity analyses							
Occupancy rates	1% Increase	\$225,000,000	\$225,000,000	—	—	—	—
	1% Decrease	\$215,000,000	\$215,000,000	—	—	—	—
Average rent per leased unit	1% Increase	\$223,500,000	\$223,500,000	—	—	—	—
	1% Decrease	\$218,000,000	\$218,000,000	—	—	—	—
Discount Rates	0.25% Increase	\$217,500,000	\$217,500,000	—	—	—	—
	0.25% Decrease	\$223,500,000	\$223,500,000	—	—	—	—

FINANCIAL INFORMATION

Database: HERTZ Income Statement

Page: 1

Entity: PB100 Summary NOI

Hertz Investment Group

Hertz Gateway Center, LP

Accrual

Year to date through:

	Actual			Budget
	2014	2015	2016	2017

OPERATING INCOME

Rental Income	22,331,936.15	23,289,083.93	24,082,431.81	23,840,109.00
Operating Expense Recovery	527,348.89	1,251,149.24	1,712,716.71	1,791,627.00
Parking Income	2,567,637.71	2,638,991.29	2,607,165.83	2,590,268.00
Other Rental Income	1,458,180.66	1,507,387.40	1,568,861.54	1,716,951.00
Other Income	92,861.90	35,122.36	17,687.73	9,945.00

TOTAL OPERATING INCOME

26,977,965.31	28,721,734.22	29,988,863.62	29,948,900.00

OPERATING EXPENSES

Cleaning and Janitorial	2,616,115.21	2,756,023.14	2,973,946.76	3,060,437.00
Repair & Maintenance	2,509,507.66	2,601,140.05	2,791,016.81	2,480,583.00
Utilities	4,778,603.00	5,066,599.97	4,734,905.03	4,852,708.00
CAM	258,615.79	254,191.33	231,398.80	227,948.00
Parking Expense	0.48	0.00	0.00	0.00
Security	974,978.64	1,021,223.75	1,094,855.59	1,103,057.00
Employee Payroll	558,927.22	574,846.85	565,817.63	594,777.35
General and Administrative	396,032.10	447,604.65	415,809.71	485,428.00
Management Fee Expense	1,227,737.46	1,348,420.74	1,417,179.66	1,270,917.00
Property Taxes	1,709,458.52	2,026,758.00	1,971,917.33	1,959,180.00
Insurance	311,222.59	308,043.73	314,144.46	332,785.00
Non-Pass Operating Expenses	876,169.87	917,992.20	886,762.82	925,750.00

TOTAL OPERATING EXPENSES

16,217,368.54	17,322,844.41	17,397,754.60	17,293,570.35

NET OPERATING INCOME

10,760,596.77	11,398,889.81	12,591,109.02	12,655,329.65

CONTINGENT AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

1. Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
2. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated.
4. Unless otherwise stated herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the subject property and the utilization of the land and improvements is within the boundaries or property lines of the property described and that there are no trespasses or encroachments.
5. BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
6. It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein.
7. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
8. Unless otherwise stated within the report, the depiction of the physical condition of the improvements described herein is based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during our inspection.
9. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our physical inspection, unless so stated in the report. No termite inspection report was available, unless so stated in the report. No responsibility is assumed for hidden damages or infestation.
10. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
11. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
12. Responsible ownership and competent property management are assumed.
13. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.

14. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
15. Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
16. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
17. Unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered; unless otherwise stated. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
18. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
19. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
20. BBG, Inc. representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.
21. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent endangered species impact studies, research, and investigation that may be provided.
22. No environmental impact studies were either requested or made in conjunction with this analysis. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation that may be provided.
23. The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
24. Neither all nor any part of the contents of this report or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent

and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof.

25. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.
26. If this report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
27. The American Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
28. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.
29. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
30. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.
31. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
32. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately. The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.

33. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based.
34. If provided, the estimated insurable value is included at the request of the client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.

CERTIFICATION

The appraisers certify that:

- Philip Ginsberg has personally inspected the property and prepared the analysis concerning the real estate that is the subject of this appraisal report.
- Joel Leitner, MAI, CRE has reviewed the analyses, opinions and conclusions concerning the real estate contained in this appraisal report and fully concurs with the final fair value conclusion.
- The statements of fact contained in this report are true and correct.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.
- The undersigned have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our compensation is not contingent on an action or event resulting from the analysis, opinions or conclusions in, or the use of, this report.
- Our analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- No one provided significant professional assistance to the persons signing this appraisal report.
- The undersigned have performed no services, as an appraiser or in any other capacity, regarding the subject property within the 3-year period immediately preceding this assignment.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The undersigned's engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a pre-determined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Joel Leitner, MAI, CRE is currently certified under the continuing education program of the Appraisal Institute. He is also certified by the State of Pennsylvania as a Real Estate Appraiser.



Philip Ginsberg
Senior Appraiser



Joel Leitner, MAI, CRE
Managing Director
PA State Certified Appraiser GA003488

QUALIFICATIONS



Joel Leitner, MAI, CRE
Managing Director
Work: 212.682.0400
jleitner@bbgres.com

PROFILE

Joel is a Managing Director at BBG. He has over 27 years of experience in real estate valuation, investment analysis, and consultation. Mr. Leitner's experience includes a diversified background in the valuation of real estate on a national basis for a wide range of applications including market value appraisals, property portfolio consulting and management, investment advisory service, valuations and consulting studies for securitization-equity based and mortgage-backed transactions, purchase price allocations, liquidation sale valuations, condemnation, tax reduction, estates, and expert witness testimony for litigation. These activities have been conducted on behalf of foreign and domestic investment firms including major industrial corporations, leading foreign and domestic financial institutions, individual investors, leading law firms, and government agencies.

Mr. Leitner's areas of specialization include preparation of market value appraisals for all types of real estate with a full range of valuation objectives; investment analysis via computer based lease to lease models and discounted cash flow projections before and after taxes; Ad valorem property appraisals; litigation support; consultation in the negotiations of equity investment acquisitions; market and economic feasibility studies for existing property or proposed development projects; and purchase price allocations.

Mr. Leitner's experience in real estate valuation and consulting has encompassed an extremely diverse range of real estate. This experience includes researching and analyzing various real estate markets within the Tristate area along with testifying as an expert witness in several local and federal courts. Mr. Leitner has recently been appointed to the panel of neutral arbitrators by the American Arbitration Association. Appraisal assignments include industrial facilities, shopping centers and malls, office and medical centers, hotel and motel facilities, and apartment complexes.

PROFESSIONAL AFFILIATIONS

MAI designation
CRE designation

New York University, Adjunct Professor, Masters of Real Estate
Executive Committee of the Board of Directors of the New York Chapter
2003 Person of the Year - Appraisal Institute
2008 President of the Metropolitan New York Chapter
Member, Real Estate Board of New York - Real Estate Appraisal Committee
Member, Counselors of Real Estate
Member, Mortgage Bankers Association of New York

General Certified Appraiser:

State of New York (License # 46-3011)
State of New Jersey (License # RG01545)
State of Connecticut (License # RCG0001050)
State of Pennsylvania (License # GA003488)
State of Maryland (License # 28730)

EDUCATION

Master Degree in Real Estate Investment, Finance and Valuation, New York University



Philip Ginsberg
Senior Appraiser
Work: 212.682.2969
pginsberg@bbgres.com

PROFILE

Phil is a Senior Appraiser at BBG in New York City (formerly Leitner Group). Phil has over twenty five years of experience in the real estate appraisal industry. Prior to joining Leitner Group, Inc., I was an associate appraiser with Joseph J. Blake and Associates, a national Real Estate valuation company, appraising various types of commercial and industrial property. Assignments were completed in New York, New Jersey, Connecticut, Pennsylvania, Maryland, Ohio, Minnesota, Missouri, Oklahoma, Nebraska, Nevada, California, Illinois, Maine, Vermont and Idaho.

Prior to Joseph J. Blake and Associates, I was a senior appraiser at McGrath Basciani and Associates in Westchester County, New York (now McGrath & Company). Assignments consisted mostly of residential form and narrative reports, as well as tax certiorari analysis of various residential and commercial properties in Westchester County.

EDUCATION

New York University (New York, New York), Master of Science in Real Estate Valuation and Analysis
Pace University (Pleasantville, New York), Bachelor of Business Administration in Finance

COURSEWORK

Real Estate Appraisal Principles
Residential Valuation Procedures
Basic Valuation Procedures
Uniform Standards of Professional Appraisal Practice
Business Practices and Ethics

LICENSE

DISPLAY THIS CERTIFICATE PROMINENTLY • NOTIFY AGENCY WITHIN 10 DAYS OF ANY CHANGE

Commonwealth of Pennsylvania
Department of State
Bureau of Professional and Occupational Affairs
PO Box 2649 Harrisburg PA 17105-2649

18 0021838

Certificate Type
Certified General Appraiser

Certificate Status
Active

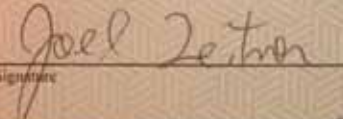
Initial Certification Date
07/07/2005

Expiration Date
06/30/2019

JOEL LEITNER
16 REMSEN STREET
BROOKLYN NY 11201

Certificate Number
GA003488


Commissioner of Professional and Occupational Affairs


Signature

ALTERATION OF THIS DOCUMENT IS A CRIMINAL OFFENSE UNDER 18 P.S. 4911



AN APPRAISAL REPORT OF

**FIRST BANK & TRUST TOWER
A 545,157 SF NRA OFFICE BUILDING
909 POYDRAS STREET
NEW ORLEANS LA 70112
BBG FILE No: 0118001099**

FOR

**MR. JIM KASIM
HERTZ PROPERTIES GROUP, LIMITED
21860 BURBANK BOULEVARD, SUITE 300
SOUTH
WOODLAND HILLS, CA 91367**

*Date of Valuation "As Is": December 31, 2017
Date of Report: February 28, 2018*

**BY
BBG, INC.
112 MADISON AVENUE
11TH FLOOR
NEW YORK, NY 10016**



February 28, 2018

Mr. Jim Kasim
Hertz Properties Group, Limited
21860 Burbank Boulevard, Suite 300 South,
Woodland Hills, CA 91367

**Re: First Bank & Trust Tower
A 545,157 SF NRA Office Building
909 Poydras Street
New Orleans, LA
BBG File No.: 0118001099**

Dear Mr. Kasim:

We have performed an appraisal on the above referenced property, the conclusions of which are set forth in the attached Appraisal Report. The type of value sought in our appraisal of the subject was an "as is" Fair Market Value opinion for the Leased Fee interest in the property as of December 31, 2017, subject to the general underlying assumptions and limiting conditions cited in the attached report.

The subject of this appraisal is a 36-story, multi-tenant office building located in New Orleans, LA. The improvements were built in 1987 and renovated in 2012. The building is known locally as First Bank & Trust Tower. According to the Argus rent roll, the building has $\pm$ 545,157 square feet of net rentable area. The gross building area is 605,124 square feet. The subject property is situated on a 0.69 acre parcel and is located on the northeast corner of the Poydras Street and O'Keefe Avenue in the western portion of the New Orleans, CBD. The building is located approximately a quarter of a mile east of the Mercedes-Benz Superdome.

The subject is owned by Hertz 909 Poydras LLC, and 545,157 SF is currently leased to 65 office tenants. Each of the tenants is paying between \$10.00/SF and \$28.71/SF on a variety of lease types.

The subject is currently not listed for sale per the property contact.

The report is intended for use only by Hertz Properties Group, Limited. Use by others is not intended by BBG, Inc. Furthermore, the report's intended use is for asset valuation. The intent of the report is conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as set forth by The Appraisal Foundation and subject to the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. In addition, the report has been prepared to meet the requirements of Title XI, 12 CFR Part 323 (FDIC) of FIRREA.

NEW YORK

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NEW YORK, NY 10016

This appraisal is to be used to aid the Company in the preparation of Financial Statements and related information to be published in the Tel Aviv Stock Exchange. We confirm that we have given our full consent to the inclusion of the valuation its entirety within financial statements and related information to be published by the Company for the Tel Aviv Stock exchange and for the Israeli Security Authority. Hertz Properties Group, Limited is also an intended user of this report.

In view of the following facts and data in conjunction with this appraisal, it is our opinion that the "as is" Fair Market Value of the Leased Fee interest of the property as of December 31, 2017, subject to the extraordinary and general underlying assumptions and limiting conditions, was:

\$77,000,000

Extraordinary Assumption

- The subject property was originally inspected on August 14, 2017. A following inspection was not made. It is an extraordinary assumption of this appraisal that no significant physical changes have occurred which would significantly impact the value of the subject.

The use of an extraordinary assumption may have affected the assignment results.

Exposure Time/Marketing Period

Based on exposure times of comparable sales and interviews with active participants in the local and regional office market, the above Fair Market Value conclusion could be achieved with an exposure time of less than twelve months. Furthermore, it is our opinion that a sale could be consummated at the Fair Market Value conclusion stated herein within a twelve-month marketing period of the effective date.

This letter must remain attached to the report, which contains 83 pages plus related exhibits, in order for the value opinion set forth to be considered valid.

Mr. Jim Kasim
February 28, 2018
Page 2

Our firm appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact us.

Respectfully submitted,
BBG, Inc.



Ronald K. Owens, Jr., MAI, MRICS, ASA
Managing Director
Louisiana
General Real Estate Appraiser
License # G2592
ROwens@bbgres.com



W. Tanner Garland
Appraiser
Louisiana
General Real Estate Appraiser
License # G3965
TGarland@bbgres.com



Joel Leitner, MAI, CRE
Managing Director

TABLE OF CONTENTS

SUBJECT PROPERTY AT A GLANCE	1
SUMMARY OF SALIENT FACTS	2
GENERAL ASSUMPTIONS AND LIMITING CONDITIONS	5
CERTIFICATION	9
INTRODUCTION	11
NEW ORLEANS - METAIRIE MSA ANALYSIS	17
OFFICE MARKET ANALYSIS	31
NEIGHBORHOOD ANALYSIS.....	38
SITE ANALYSIS.....	43
ZONING ANALYSIS.....	47
IMPROVEMENT ANALYSIS	48
HIGHEST AND BEST USE	51
REAL ESTATE TAX ANALYSIS.....	53
APPRAISAL PROCESS.....	55
SALES COMPARISON APPROACH.....	56
INCOME CAPITALIZATION APPROACH	61
RECONCILIATION AND FINAL VALUE CONCLUSIONS	82
EXHIBITS	84

SUBJECT PROPERTY AT A GLANCE



Please refer to the Exhibits section of the report for all property photos.

SUMMARY OF SALIENT FACTS

Subject:	First Bank & Trust Tower A 545,157 SF NRA Office Building 909 Poydras Street New Orleans, Orleans Parish LA 70112 BBG Project No.: 0118001099
Purpose of the Appraisal:	Form an opinion of the Fair Market Value of the subject property "As Is" based upon the general underlying assumptions and limiting conditions.
Interest Valued:	Leased Fee
Intended Use of the Report:	It is our understanding that this appraisal will be used by our client in asset valuation.
Effective Date of Value "As Is":	December 31, 2017
Date of Inspection	August 14, 2017
Date of Report:	February 28, 2018

Summary of Subject Property

Land Size:	0.69 Acres; 30,169 SF
Zoning:	"CBD-1" - Core Central Business District
Flood Plain:	Zone "X," Panel 22071C0229F (September 30, 2016)
Improvements:	A 545,157 SF NRA Office Building located on the northeast corner of the Poydras Street and O'Keefe Avenue
Land to Building Ratio:	0.06:1 (above ground area)
Construction:	Steel frame and masonry with aluminum, concrete panel, and glass façade; flat rubber membrane roof.
Year of Construction:	1987
Remaining Economic Life:	45 years
Condition:	Good
Class:	A (Market)

Parking: 542 Garage spaces

Highest and Best Use:

As Vacant: Hold for future development.

As Improved: Continued use as an office building.

Income & Expense Data

Market Rent

Market Rent Conclusions			
Description	Market Rent/SF	Lease Type	Term (Yrs)
Office Floors 1-13	\$18.50	BY	5
Office Floors 14-26	\$18.75	BY	5
Office Floor 27-36	\$19.00	BY	5
Storage	\$1,000 per Mo.	Gross	5

Contract Rent \$10.00/SF – \$28.71/SF (\$18.25/SF – Avg)

Gross Annual Income (all sources) \$10,746,105 - Stabilized

Stabilized Occupancy 92% (includes 1% collection loss)

Occupancy at Inspection 81%

Operating Expenses \$4,569,960; \$8.38/SF - Stabilized

Replacement Reserves \$0.20/SF – DCF Only

Net Operating Income \$5,612,543; \$10.30/SF - Stabilized

Going-In Capitalization Rate: 7.00%

Terminal Capitalization Rate: 7.75%

Discount Rate: 8.25%

Value Indications of Subject – As Is

Sales Comparison Approach \$77,500,000

Income Capitalization Approach \$76,500,000

Cost Approach N/A

Market Value (As Is) \$77,000,000

Units of Comparison

Value/SF (NRA) \$141.24

Estimated Exposure Period 12 months or less

Extraordinary Assumption

- The subject property was originally inspected on August 14, 2017. A following inspection was not made. It is an extraordinary assumption of this appraisal that no significant physical changes have occurred which would significantly impact the value of the subject.

The use of an extraordinary assumption may have affected the assignment results.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

1. Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
2. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated.
4. Unless otherwise stated herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the subject property and the utilization of the land and improvements is within the boundaries or property lines of the property described and that there are no trespasses or encroachments.
5. BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
6. It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein.
7. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
8. Unless otherwise stated within the report, the depiction of the physical condition of the improvements described herein is based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during our inspection.
9. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our physical inspection, unless so stated in the report. No termite inspection report was available, unless so stated in the report. No responsibility is assumed for hidden damages or infestation.
10. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
11. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
12. Responsible ownership and competent property management are assumed.
13. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.

14. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.
15. Any division of the land and improvement values estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
16. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.
17. Unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered; unless otherwise stated. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
18. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
19. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
20. BBG, Inc. representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.
21. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent endangered species impact studies, research, and investigation that may be provided.
22. No environmental impact studies were either requested or made in conjunction with this analysis. The appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation that may be provided.
23. The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.
24. Neither all nor any part of the contents of this report or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent

and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof.

25. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.
26. If this report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
27. The American Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
28. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.
29. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
30. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.
31. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
32. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately. The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is

responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.

33. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of Fair Market Value is based.

If provided, the estimated insurable value is included at the request of the client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.

Extraordinary Assumption

- The subject property was originally inspected on August 14, 2017. A following inspection was not made. It is an extraordinary assumption of this appraisal that no significant physical changes have occurred which would significantly impact the value of the subject.

The use of an extraordinary assumption may have affected the assignment results.

CERTIFICATION

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Ronald K. Owens, Jr., MAI, MRICS, ASA made a personal inspection of the interior and exterior of the property that is the subject of this report on August 14, 2017. W. Tanner Garland did not inspect the subject. Joel Leitner, MAI, CRE did not inspect the subject, but did review the analysis and conclusions arrived at herein.
- Brett Carlton provided significant research assistance to the persons signing this certification.
- The undersigned performed a prior appraisal of the subject property in an appraisal report dated November 29, 2017.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, the minimum appraisal standards cited in Section 323.4 of Title XI of FIRREA and subsequent updates and the December 2010 Interagency Appraisal and Valuation Guidelines.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Ronald K. Owens, Jr., MAI, MRICS, ASA and Joel Leitner, MAI, CRE have completed the continuing education program for Designated Members of the Appraisal Institute. W. Tanner Garland has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Candidates for Designation.

- Ronald K. Owens Jr., MAI, MRICS, ASA and W. Tanner Garland has completed the requirements of the Louisiana for a general certification.



Ronald K. Owens, Jr., MAI, MRICS, ASA
Managing Director
Louisiana
General Real Estate Appraiser
License # G2592



Joel Leitner, MAI, CRE
Managing Director



W. Tanner Garland
Appraiser
Louisiana
General Real Estate Appraiser
License # G3965

Property Appraised

First Bank & Trust Tower
A 545,157 SF NRA Office Building
909 Poydras Street
New Orleans, Orleans Parish, LA 70112
Project #: 0118001099

Property Identification

The subject of this appraisal is a 36-story, multi-tenant office building located in New Orleans, LA. The improvements were built in 1987 and renovated in 2012. The building is known locally as First Bank & Trust Tower. According to the Argus rent roll, the building has $\pm$ 545,157 square feet of net rentable area. The gross building area is 605,124 square feet. The subject property is situated on a 0.69 acre parcel and is located on the northeast corner of the Poydras Street and O'Keefe Avenue in the western portion of the New Orleans, CBD. The building is located approximately a quarter of a mile east of the Mercedes-Benz Superdome.

Market conditions in the area appear to support the use of the subject property and there appears to be experienced management staff in place. The subject property should be successful if properly managed, operated, and marketed. The following are considered some of the advantages and challenges of the subject property:

ADVANTAGES:

- Subject has even tenant mix with long lease terms for larger tenants.
- Subject has excellent visibility and access
- Parking spaces provided by garage

CHALLENGES:

- Subject is below stabilized occupancy.
- Subject has competition in the immediate area.

Legal Description

A copy is located within the exhibits section of this report.

Intended Use and User of the Appraisal

The intended use of this appraisal was to form an opinion of the Fair Market Value "as is" of the subject property as of December 31, 2017. It is our understanding that this appraisal will assist our client in asset valuation.

The report is intended for use only by Hertz Investment Group and its related entities, successors, and/or assigns. Use by others is not intended by BBG, Inc. Furthermore, the report's intended use is for asset valuation. The intent of the report is conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as set forth by The Appraisal Foundation and subject to the Code of Professional

Ethics and Standards of Professional Practice of the Appraisal Institute. In addition, the report has been prepared to meet Title XI, 12 CFR Part 323 (FDIC) of FIRREA.

This appraisal is to be used to aid the Company in the preparation of Financial Statements and related information to be published in the Tel Aviv Stock Exchange. We confirm that we have given our full consent to the inclusion of the valuation its entirety within financial statements and related information to be published by the Company for the Tel Aviv Stock exchange and for the Israeli Security Authority. Hertz Properties Group, Limited is also an intended user of this report.

Property Rights Appraised

The subject property is appraised assuming Leased Fee ownership, subject to the existing easements and restrictions, as noted herein.

Definition of Fair Market Value

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). That definition of fair value emphasizes that fair value is a market-based measurement, not an entity-specific measurement. When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. As a result, an entity's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value. The IFRS explains that a fair value measurement requires an entity to determine the following:

- (a) the particular asset or liability being measured;
- (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis;
- (c) the market in which an orderly transaction would take place for the asset or liability; and
- (d) the appropriate valuation technique(s) to use when measuring fair value. The valuation technique(s) used should maximize the use of relevant observable inputs and minimize unobservable inputs. Those inputs should be consistent with the inputs a market participant would use when pricing the asset or liability.

History of the Subject Property

The subject of this appraisal is a 36-story, multi-tenant office building located in New Orleans, LA. The improvements were built in 1987 and renovated in 2012. The building is known locally as First Bank & Trust Tower. According to the Argus rent roll, the building has $\pm$ 545,157 square feet of net rentable area. The gross building area is 605,124 square feet. The subject property is situated on a 0.69 acre parcel and is located on the northeast corner of the Poydras Street and O'Keefe Avenue in the western portion of the New Orleans, CBD. The building is located a quarter of a mile east of the Mercedes-Benz Superdome.

According to information provided by the subject leasing broker, Cress Gardner, Class A office rental ranges typically range between \$17.50/SF and \$19.50/SF Full Service within the New Orleans CBD. Cres stated the typical lease is signed for between 3 and 5 years and that it typically takes between four months and one year to fill any vacant spaces. This data is also supported by surveys from other brokers who stated the typical rental rates range from \$17.00/Sf to \$19.50/SF Full Service, with typical terms being between 3 and 10 years, with typical vacancy periods of between 6 months and 1 year. Cres also mentioned that in the current New Orleans market, there has not been a large quantity of sales.

Per information provided by the leasing broker Cres Gardner, the large percentage of vacant space within the subject is due to the vacancy of Morris Burt Law office, which previously occupied approximately 38,000 SF. Cres believed that with consistent leasing, the occupancy would rise back up to market levels within one year. Cres mentioned that multiple leases are currently being negotiated: Suite 2100 being negotiated and is expected to get \$19.00/SF. 10,000 Sf of Suite 2000 is also being negotiated for a 10-year deal with Akerman. According to Cres, all tenants whose leases expire in 2018 are expected to resign.

Per information provided to our office by the Orleans Parish, title of the subject is held by Hertz 909 Poydras LLC, who purchased the subject property from Equity Office Management, LLC, on May 4, 2005, document number 307333.

The subject is owned by Hertz 909 Poydras LLC, and SF is currently leased to 65 office tenants. Each of the tenants is paying between \$10.00/SF and \$28.71/SF on a variety of lease types.

Below is a summary of the most current rent roll provided to the appraiser:

First Bank & Trust Tower							
Tenant	Unit	SF	Annual Rent	Rent/SF	Lease Start	Lease End	Expenses
First Bank & Trust	0100	10,188	\$170,649.00	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1700	13,117	\$219,709.80	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1717	2,015	\$33,751.20	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1750	2,675	\$44,806.20	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1780	2,422	\$40,568.52	\$16.75	4/1/2016	3/31/2026	
City Greens	0125	2,130	\$40,746.96	\$19.13	3/1/2011	8/31/2019	
Yong Cheng	0130	80	\$5,700.00	\$71.25	9/1/2015	8/31/2020	
McCranie Sistrunk Anzelmo etal	1000	14,490	\$246,330.00	\$17.00	2/1/2013	7/31/2024	
Scott Vicknair Hair & Checki	1100	5,523	\$95,271.72	\$17.25	6/1/2016	10/31/2023	
Robert Half International Inc	1150	4,701	\$85,793.28	\$18.25	4/1/2016	5/31/2021	
Vanir Construction Management	1175	1,815	\$34,031.28	\$18.75	11/1/2015	11/30/2018	
Jacobs Engineering Group, Inc	1200	13,115	\$242,616.00	\$18.50	12/1/2016	11/30/2019	
CSRS, Inc	1240	1,437	\$26,584.56	\$18.50	12/1/2016	11/30/2019	
Weiler & Rees, LLC	1250	2,519	\$45,971.76	\$18.25	3/1/2017	4/30/2020	
Raymond James & Associates	1300	16,100	\$313,950.12	\$19.50	3/7/1994	12/31/2019	
Morgan Keegan & Co., Inc	ANT01		\$3,000.00		4/12/1994	12/31/2019	
Middleberg	1400	10,479	\$183,382.56	\$17.50	12/20/2013	10/31/2021	
Rosolvit, LLC	1425	3,363	\$63,897.00	\$19.00	9/1/2015	9/30/2020	
Hertz - Property Management	1475	3,470	\$99,612.00	\$28.71	9/1/2017	12/31/2050	
Breazeale, Sachase & Wilson, LLP	1500	8,620	\$159,470.04	\$18.50	6/1/1998	8/31/2018	
Breazeale, Sachase & Wilson, LLP	1575	3,389	\$62,696.52	\$18.50	2/1/2012	8/31/2018	
Breazeale, Sachase & Wilson, LLP	1590	1,974	\$36,519.00	\$18.50	1/1/2010	12/31/2018	
Breazeale, Sachase & Wilson, LLP	ST711		\$840.00		2/1/2012	8/31/2018	
Coker & Palmer, Inc	1580	2,019	\$37,351.56	\$18.50	6/1/2015	6/30/2018	
Schonekas Evans McGoey McEachi	1600	10,965	\$202,852.56	\$18.50	3/1/2012	2/28/2023	
BOI Construction LLC	1615	1,013	\$16,714.56	\$16.50	9/1/2015	11/30/2020	
Alvendi, Kelly & Demarest, LLC	1625	5,550	\$102,675.00	\$18.50	5/1/2015	6/30/2020	
Alvendi, Kelly & Demarest, LLC	1627	1,008	\$18,648.00	\$18.50	5/1/2015	6/30/2020	
Tidewater Marine, Inc	1630	1,459	\$28,450.56	\$19.50	2/1/2015	1/31/2018	
Garrison Yount Forte & Mulchany	1800	5,088	\$93,466.56	\$18.37	7/1/2014	10/31/2020	
Garrison Yount Forte & Mulchany	1820	1,273	\$23,385.00	\$18.37	7/1/2014	10/31/2020	
Spears & Spears LLC	1825	1,872	\$33,696.00	\$18.00	9/1/2017	9/30/2020	
Bland & Partners, PLLC	1860	5,670	\$104,895.00	\$18.50	9/1/2016	10/31/2021	
Blanchard and Company, Inc	1900	20,282	\$344,793.96	\$17.00	11/1/1999	9/30/2023	
Blanchard and Company, Inc	140	1,191	\$20,247.00	\$17.00	1/1/2011	9/30/2023	
Blanchard and Company, Inc	150	3,310	\$56,270.04	\$17.00	1/1/2011	9/30/2023	
Blanchard and Company, Inc	STRMEZ	1,071	\$10,710.00	\$10.00	10/1/2006	9/30/2023	
Lanier Parking Solutions of LA	2120	1,339	\$22,763.04	\$17.00	6/1/2017	5/31/2020	
Moses Engineers Inc	2150	9,839	\$172,182.48	\$17.50	7/1/2017	9/30/2020	
Building Conference Facility	2170	2,207			12/30/2013	12/31/2013	
Gori Julian & Associates	2195	1,917	\$34,506.00	\$18.00	7/1/2017	7/31/2020	
Marigny Capital Services, LLC	2230	7,088	\$129,356.04	\$18.25	7/1/2014	10/31/2021	
Marigny Capital Services, LLC	2200	4,148	\$75,700.92	\$18.25	7/1/2014	10/31/2021	
Marigny Capital Services, LLC	2280	817	\$14,910.24	\$18.25	8/1/2015	10/31/2021	
Advantage Capital Management	ST213		\$550.00		7/1/2014	11/30/2021	
Advantage Capital Management	ST315		\$640.00		7/1/2014	11/30/2021	
Advantage Capital Management	SAT514		\$432.00		7/1/2014	11/30/2021	
Capitol Energy Group Inc	2250	3,370	\$60,660.00	\$18.00	10/1/2017	2/28/2023	
First Insurance Agency Inc	2260	2,392	\$43,653.96	\$18.25	2/1/2015	4/30/2020	
John Fuller	2270	1,866	\$35,454.00	\$19.00	4/1/2015	3/31/2020	
Milling Benson Woodward LLP	2300	9,818	\$181,632.96	\$18.50	3/1/2016	2/28/2019	
Milling Benson Woodward LLP	2410	265	\$4,902.60	\$18.50	3/1/2016	2/28/2019	
Barrasso Usdin Kupperman etal	2400	18,377	\$330,786.00	\$18.00	5/1/2003	12/31/2019	
Barrasso Usdin Kupperman etal	2350	8,815	\$169,688.76	\$19.25	7/1/2011	12/31/2019	
Barrasso Usdin Kupperman etal	2425	1,400	\$26,949.96	\$19.25	3/1/2009	12/31/2019	
Stanley, Flanagan & Reuter LLC	2500	12,451	\$224,118.00	\$18.00	11/1/1997	4/30/2023	
Stanley, Flanagan & Reuter LLC	2550	4,116	\$74,088.00	\$18.00	2/1/2013	4/30/2023	
Iris Data Services, Inc	2570	2,893	\$55,950.60	\$19.34	12/20/2014	1/31/2020	
Sullivan Stoller LLC	2600	8,166	\$151,071.12	\$18.50	2/1/2017	7/31/2019	
Evangeline Securities LLC	2620	2,684	\$45,627.96	\$17.00	11/1/2016	4/30/2020	
Alliant Insurance Services	2650	6,333	\$110,827.56	\$17.50	10/24/2016	2/28/2022	
MV Health Administrators	2660	1,262	\$23,346.96	\$18.50	5/13/2017	6/30/2019	
Sher Garner Cahill Richter	2700	20,766	\$354,475.68	\$17.07	1/1/2006	12/31/2027	
Sher Garner Cahill Richter	2800	11,426	\$195,041.88	\$17.07	1/1/2006	12/31/2027	
Sher Garner Cahill Richter	ST415		\$720.00		1/1/2002	12/31/2050	
KPMG, LLP	2900	11,974	\$230,499.48	\$19.25	1/1/2005	5/31/2021	
KPMG, LLP	ST414		\$378.00		1/1/2005	5/31/2021	
Glago Law Firm / Klotz & Early	2950	5,152	\$92,736.00	\$18.00	1/1/2013	7/31/2018	
AIG Domestic Claims, INC	3000	6,821	\$122,778.00	\$18.00	1/1/2018	12/31/2024	
Beau Box New Orleans LLC	3025	5,877	\$102,847.56	\$17.50	3/1/2018	6/30/2023	
PricewaterhouseCoopers LLP	3100	7,851	\$143,280.72	\$18.25	11/1/2014	4/30/2025	
Stone Pigman Walther Wittmann	3200	17,119	\$325,260.96	\$19.00	8/1/2017	10/31/2032	
Stone Pigman Walther Wittmann	3150	8,510	\$161,690.04	\$19.00	8/1/2017	10/31/2032	
Stone Pigman Walther Wittmann	3300	17,119	\$325,260.96	\$19.00	8/1/2017	10/31/2032	
Kean Miller	3400	16,731	\$334,620.00	\$20.00	10/27/2013	10/31/2028	
Kean Miller	3600	13,875	\$277,500.00	\$20.00	10/27/2013	11/1/2028	
Time Warner Teloco of LA, LLC	LIC01		\$3,600.00		2/1/2009	1/31/2014	
Milling Benson Woodward, LLP	ST306		\$2,844.00		9/8/1990	12/31/2050	
Silbert & Garon LLP	ST615		\$636.00		11/1/2001	12/31/2050	
Silbert & Garon LLP	ST312		\$637.00		11/1/2001	12/31/2050	
Skycom 1	TEL02		\$3,900.00		12/30/2013	12/31/2013	
Cox Communications La LLC	TEL03		\$5,100.00		11/1/2010	10/31/2015	
Cogent Communications	TEL04		\$6,556.00		2/1/2014	1/31/2024	
Moses Engineers, Inc	ST411		\$720.00		4/1/2002	12/31/2050	
Garrison Yount Forte & Mulcahy	ST412		\$720.00		6/18/2004	12/31/2050	
Total		440,177	\$8,031,654.76	\$18.25			

The subject is currently not listed for sale. To the best of our knowledge, there have been no other sales of the subject property during the past three years.

The undersigned performed a prior appraisal of the subject property in an appraisal report dated November 29, 2017.

Scope of Appraisal/Extent of the Data Collection Process

The scope of this assignment was to undertake an appraisal of the subject property and provide a Fair Market Value conclusion for the subject property “as is.” The value conclusions are reported herein in an Appraisal Report format that follows generally accepted appraisal procedures as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP). This appraisal utilizes two of the three accepted approaches to value: (1) Sales Comparison Approach and (2) Income Capitalization Approach. *Due to the age of the subject and the resulting difficulty in accurately estimating accrued depreciation, the Cost Approach was not utilized within this analysis.* The procedures and methodologies employed in these approaches are outlined in the Appraisal Process section of this report. The following steps were completed by the appraisers.

1. Ronald K. Owens, Jr., MAI, MRICS, ASA inspected the property on August 14, 2017. Specific information relative to the subject property was provided by the listing broker and the client. A thorough inspection of the subject property was made along with the general and immediate neighborhood.
2. Gathered information from various data sources regarding regional and local economic and demographic data specifically relating to the regional, city and neighborhood analyses.
3. Analyzed trends in the office market utilizing data compiled through confirmation of the comparable rents. Numerous office brokers and developers active in this market were also interviewed relative to local market factors.
4. Reviewed as built site plans for the subject property. Researched the flood plain reference relative to the surveys provided.
5. Analyzed the highest and best use of the site “as if vacant” and the property “as improved”. Supply, demand and absorption potential as well as construction costs and required yields were analyzed relative to the subject market and specifically the subject property. Alternative uses were also analyzed relative to their financial feasibility.
6. Confirmed sales of similar office buildings to compare to the subject.
7. Researched and analyzed comparable rentals in the immediate market area by interviewing the leasing agents at each respective property. Utilized office and retail leases from the local market area. These data and the subject leases were utilized to estimate market rent in the Income Capitalization Approach.

8. Estimated the operating expenses applicable to the lease structure of the subject utilizing historical data provided by the client.
9. Analyzed the data to arrive at conclusions of value via the Sales Comparison and Income Capitalization Approaches to value.
10. Reconciled the results of these analyses into a probable range of value, and finally, an “as is” Fair Market Value conclusion.
11. Estimated the reasonable exposure time and marketing period inherent in the Fair Market Value.
12. Prepared an appraisal report.

The client or property owner provided the appraisers with the following information with which to complete the appraisal assignment:

- Leases
- Operating Statements
- Rent Roll
- Survey
- ARGUS File

Competency

The appraisers involved in this assignment have, collectively, considerable experience in appraising this property type.

The appraisers are actively engaged in appraisal work in the geographical area of the subject property. The company maintains a database on this area for similar properties. We believe we have adequate knowledge of the property type and location to meet the competency requirements of USPAP.

Introduction

The subject property is located in the city of New Orleans, Orleans Parrish, Louisiana, which is part of the New Orleans-Metairie-Kenner MSA. New Orleans–Metairie-Kenner Metropolitan Statistical Area, or the Greater New Orleans Region (as it is often called by the Louisiana Tourism Commission) is a metropolitan area designated by the United States Census encompassing eight parishes (the Louisiana equivalent of other states' counties) in the state of Louisiana, centering on the city of New Orleans. Parishes include Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, and St. Tammany. As of the 2014 estimate, the metropolitan statistical area (MSA) had a population of 1,251,849.

The Mississippi River, running from north to south, divides the United States into eastern and western halves. In southeast Louisiana, though, newcomers are frequently confused by the terms "East Bank" and "West Bank" since, due to the curves of the Mississippi River, what is called the "Eastbank" is sometimes located geographically to the west of what is called the "Westbank" and vice versa. In the New Orleans metropolitan area, the term "Eastbank" is a blanket term used to refer to all portions of metropolitan New Orleans south of Lake Pontchartrain and situated on the "eastern" bank of the river, while the term "Westbank" is used to refer to all portions of metropolitan New Orleans south of Lake Pontchartrain and situated on the "western" bank of the river. The majority of the population of metropolitan New Orleans resides on the Eastbank.

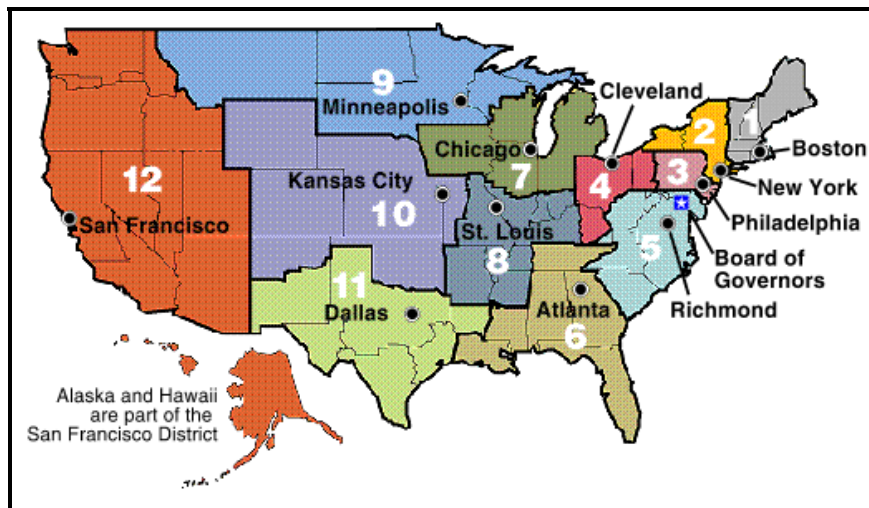
The Eastbank of Greater New Orleans includes the portion of Jefferson Parish (including the suburbs of Metairie, Kenner, River Ridge, Harahan, Elmwood, and Jefferson) that lies on the eastern bank of the river and most of Orleans Parish (including the majority of the city of New Orleans). Also, further down the Mississippi River are those suburbs of New Orleans that are located in St. Bernard Parish, which include Arabi, Chalmette, and Meraux as well as Violet and Poydras. All of St. Bernard Parish is located east of the river, extending from the eastern bank of the river back into the marshlands.

The Westbank of suburban New Orleans includes the portion of Jefferson Parish (including the suburbs of Waggaman, Avondale, Bridge City, Nine Mile Point, Westwego, Marrero, Harvey, Gretna, Terrytown, Jean Lafitte, Lafitte, Crown Point, Barataria, Estelle, Timberlane, and Woodmere) that lies on the western bank of the river and a portion of Orleans Parish (including the New Orleans communities of Algiers and English Turn). Further down the Mississippi River is the suburb of Belle Chasse, which is located on the western bank of Plaquemines Parish.



Figure 1: Metropolitan Area Map

Economy



Federal Reserve Board Districts

Federal Reserve Board Districts

The subject is located in Federal Reserve Board's Beige Book's Sixth District. On balance, reports from Sixth District business contacts remained largely positive with most noting that economic conditions were improving at a modest pace over the reporting period. Most contacts expect continued slow and steady

growth in the near-term. Business contacts experienced on-going labor market tightness but limited wage growth. Non-labor input costs increased slightly from the previous report. Contacts reported that holiday retail sales exceeded expectations, but auto sales softened. Reports from the hospitality sector were positive, reflecting strong advance bookings. Residential real estate brokers and builders noted mixed sales activity for both existing and new homes. Home prices rose and inventory levels were described as flat or down. Commercial real estate contacts reported increased demand in nonresidential construction, especially industrial and warehousing. Manufacturers indicated that new orders picked up since the previous report.

Employment and Wages

Job growth across the District returned to a steady pace in November, following large hurricane-related losses in September. In a survey of business contacts, a little over half indicated that they expect their firms to increase employment over the next 12 months, while about one-third responded that they expect employment to remain unchanged. The remaining respondents expect some staff reductions over the next 12 months. Contacts indicated the most important factor for adding to payrolls was an expectation for high sales growth in their business while the top constraints to hiring were a desire to keep operating costs low and an inability to find workers with requisite skills. A number of contacts continued to describe challenges filling and retaining highly-skilled/specialized and low-skilled/entry-level positions. To find and retain workers, firms continued to broaden their geographical search for candidates and develop or expand training programs.

On balance, contacts noted steady but modest wage growth; however, compensation negotiations were more prevalent among highly-skilled/specialized workers.

Prices

Increases in non-labor input costs were reported as mostly modest. Firms reported that pricing power continued to be limited. The Atlanta Fed's Business Inflation Expectations survey showed that year-over-year unit costs were up 1.8 percent in December, and respondents expect unit costs to rise 2.1 percent over the next twelve months.

Consumer Spending and Tourism

District retail contacts reported an uptick in sales levels since the last report. Merchants noted that early holiday sales activity was above expectations. According to automobile dealers in the District, however, momentum of auto sales slowed compared with year-earlier levels.

Holiday reports from District travel and hospitality contacts indicated much higher-than-anticipated tourism activity. Further, the outlook among contacts remains positive for the first quarter of 2018 with strong advance bookings in the conference and business travel segments.

Construction and Real Estate

Reports from residential real estate contacts in the District signaled modest growth since the previous report. The majority of builders reported construction activity was slightly up in November compared with one year earlier. Brokers indicated that home sales activity was flat to slightly down from the year-ago

level, yet builders said home sales were flat to slightly up over the same period. Many brokers reported buyer traffic was flat to down; meanwhile, builders said buyer traffic was flat to up. Most brokers indicated inventory levels were down from one year ago, while builders reported that inventory levels remained unchanged. Builders and brokers continued to note home price increases in November. Over the next three months, residential real estate contacts expect home sales activity to either hold steady or increase slightly relative to the year-ago level, while many builders expect the pace of construction activity to remain unchanged or increase slightly.

Many commercial real estate contacts from the District reported improvements in demand that resulted in rent growth, specifically in industrial and warehouse/distribution properties and to a lesser degree in office and multifamily. Contacts cautioned that the rate of improvement varies by metropolitan area, submarket, and property type. The majority of commercial contractors indicated that the pace of nonresidential construction activity had increased from one year ago. Most contacts continued to report a healthy pipeline of activity, with the majority indicating backlogs greater than or similar to the previous year's level. While the majority of reports indicated that the pace of multifamily construction matched or exceeded the year-ago level, a growing share continued to report that activity was down from one year earlier. Commercial construction contacts' outlook for nonresidential and multifamily construction activity improved across the District since the last report.

Manufacturing

Manufacturing contacts reported increases in overall business activity. New orders continued to rise, while production levels at District firms remained somewhat subdued. Most contacts indicated that hiring activity continued to increase at a healthy pace and suggested that supplier delivery times were getting somewhat longer. Finished inventory levels were reported to have increased slightly and input prices also continued to rise. Contacts' outlook for future production was similar to from the previous period, with about half expecting higher production levels over the next six months.

Transportation

Transportation contacts in the District noted increased activity during the reporting period. Ports saw growth in volumes across most sectors; however, automobile shipments were flat year-over-year. Containerized exports and imports were up by double digits from year earlier levels, and solid growth in lumber, iron and steel break bulk cargo was attributed to increased manufacturing and construction activity. Available warehouse capacity was at record low levels. Year-to-date total rail volume was flat compared with last year; intermodal traffic was up modestly. Trucking companies experienced a robust peak season due to substantial increases in e-commerce volumes, and logistics contacts noted greater demand for services due in part to hurricane rebuilding efforts and tighter capacity. All District contacts surveyed anticipate continued growth in activity for 2018.

Banking and Finance

Credit remained readily available for most qualified borrowers. Credit union contacts noted strong auto and first mortgage lending and increased credit card activity. Some banking contacts reported a diminished ability to raise deposits.

Energy

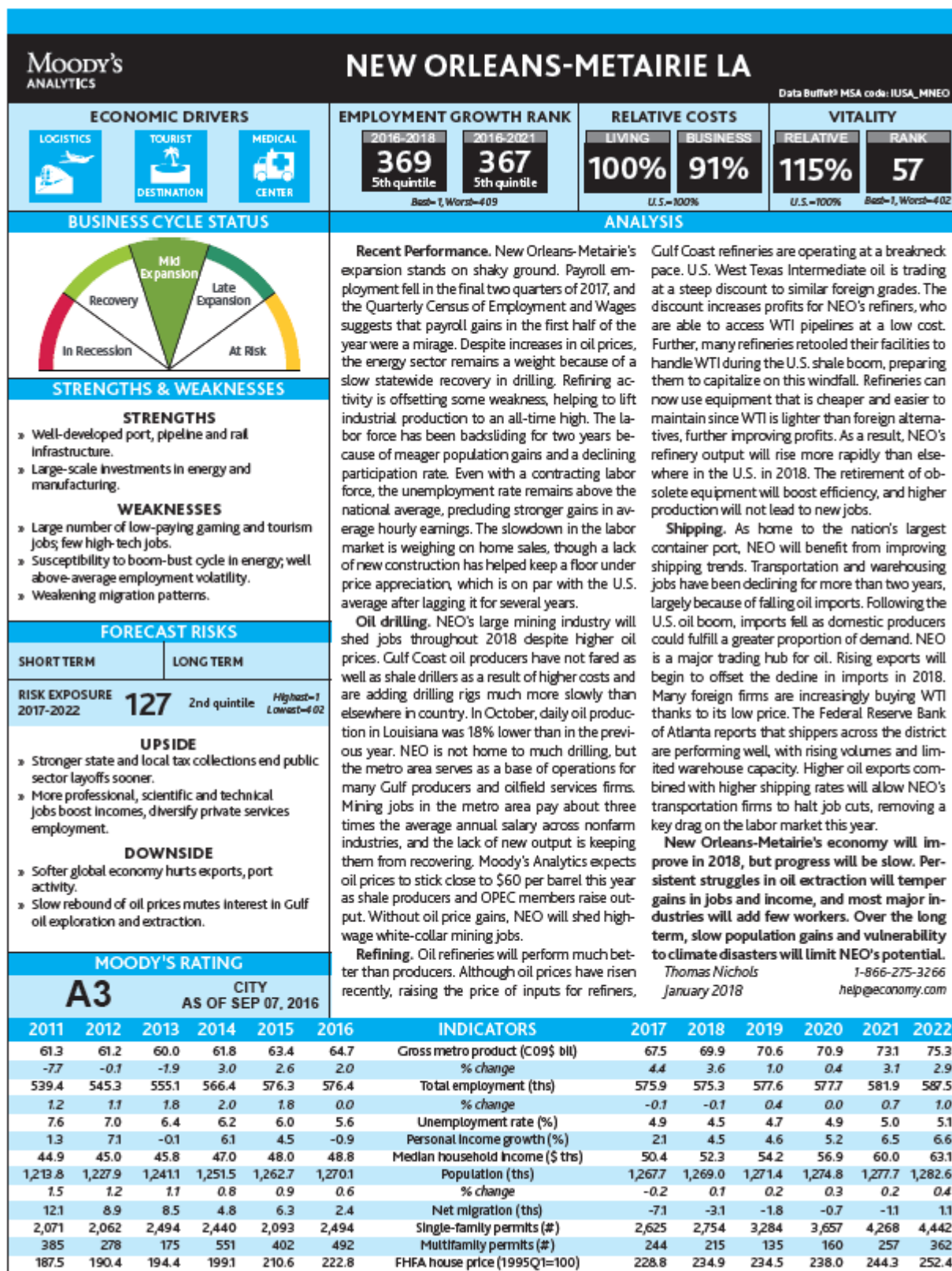
Contacts indicated that overall, utilities continued to move to natural gas power generation. Pipeline take-away capacity from production to refineries continued to be constrained. It was noted that liquid natural gas exports ticked up slightly with additional liquefaction capacity that came online.

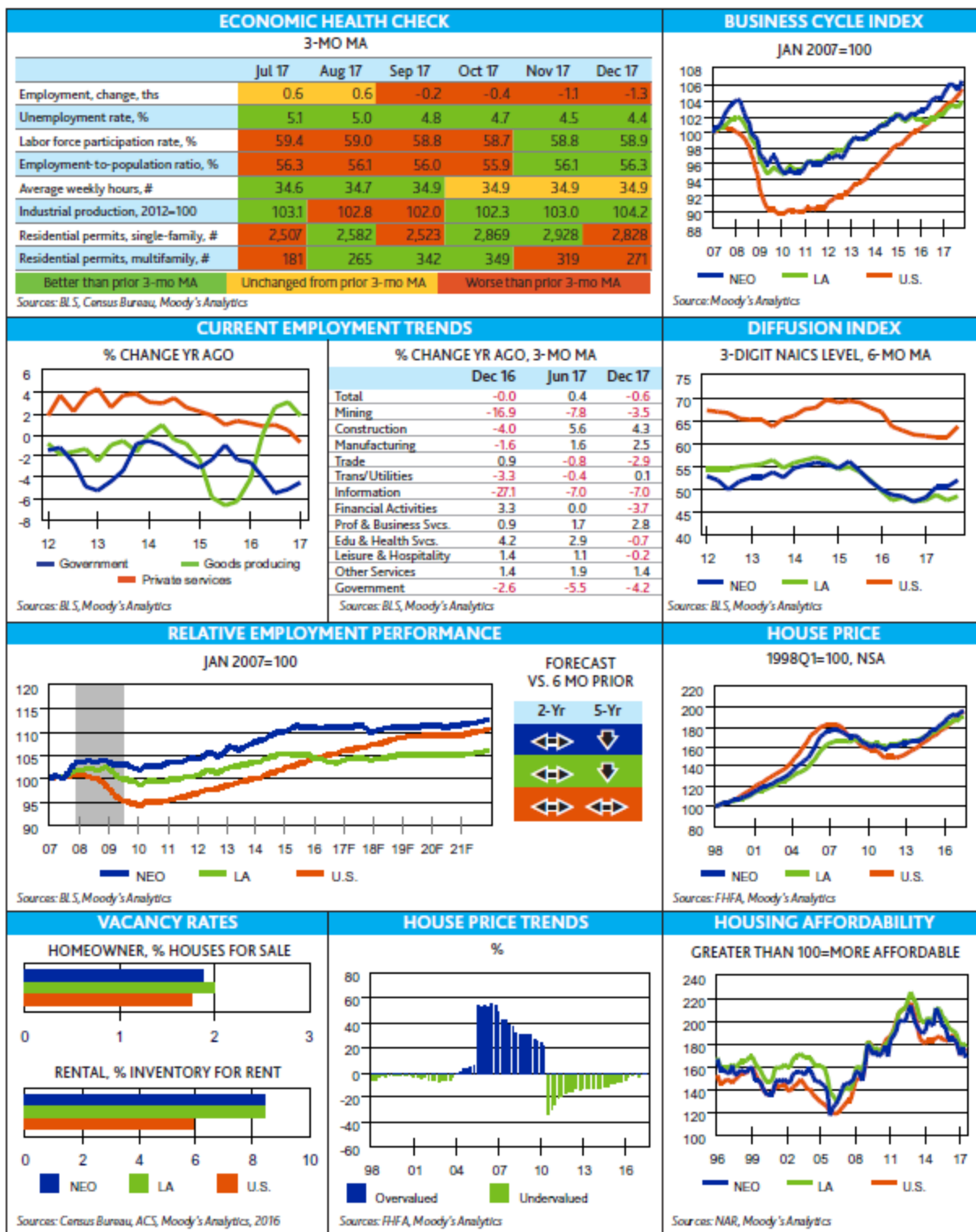
Agriculture and Natural Resources

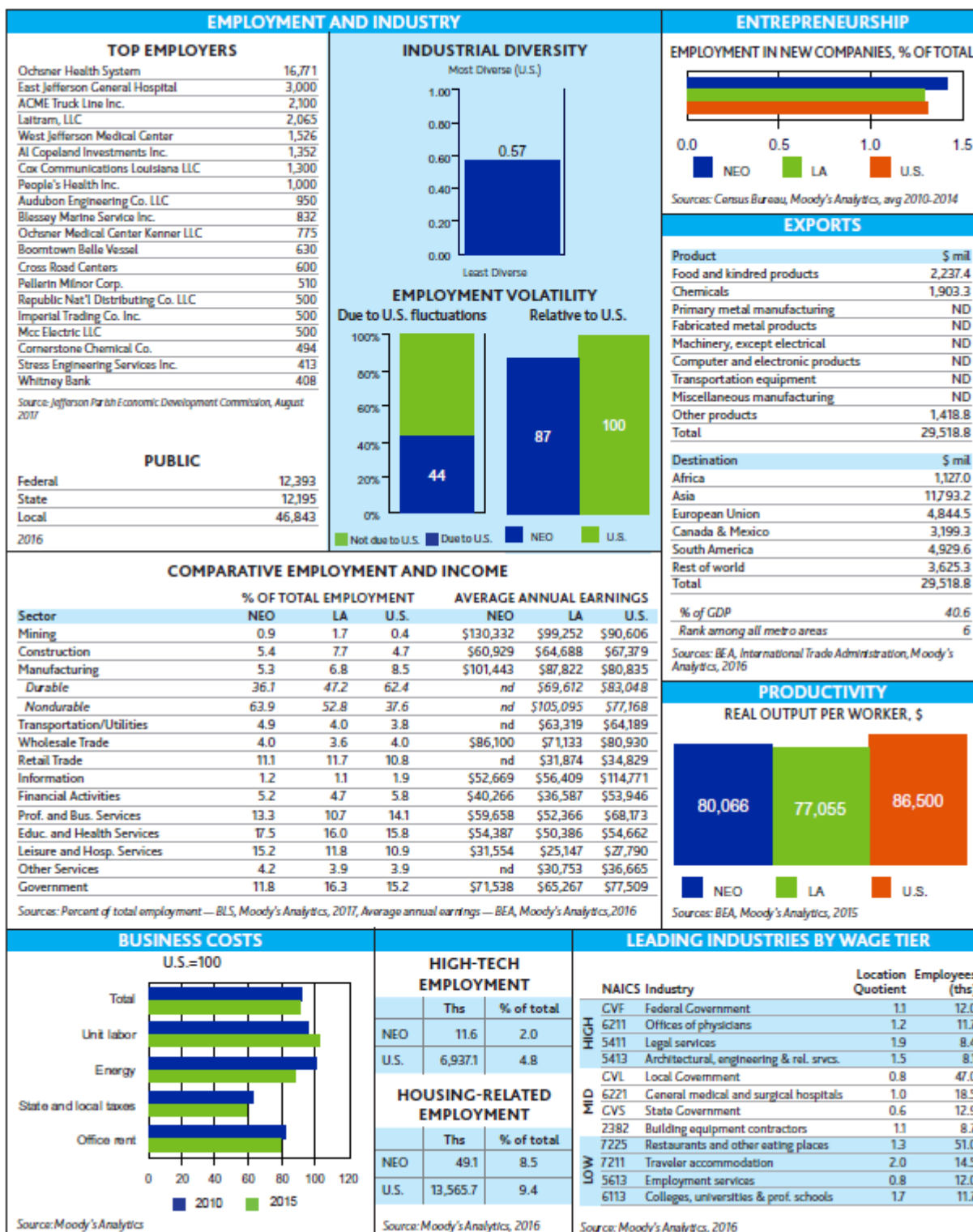
Agriculture conditions across the District were mixed. Drought conditions expanded in parts of Alabama, Florida, Georgia, Louisiana, and Mississippi and were classified as abnormally or moderately dry. The District's December cotton production forecast was up over last year, mostly because of increased acres, although there were some reductions in yields. The December forecast for Florida's orange crops was down from the previous report. The USDA designated many counties in Florida and Georgia as natural disaster areas due to damages and losses attributed to Hurricane Irma. On a year-over-year basis, prices paid to farmers in November were up for rice, oranges, beef, broilers, and eggs and down for corn, cotton, and soybeans.

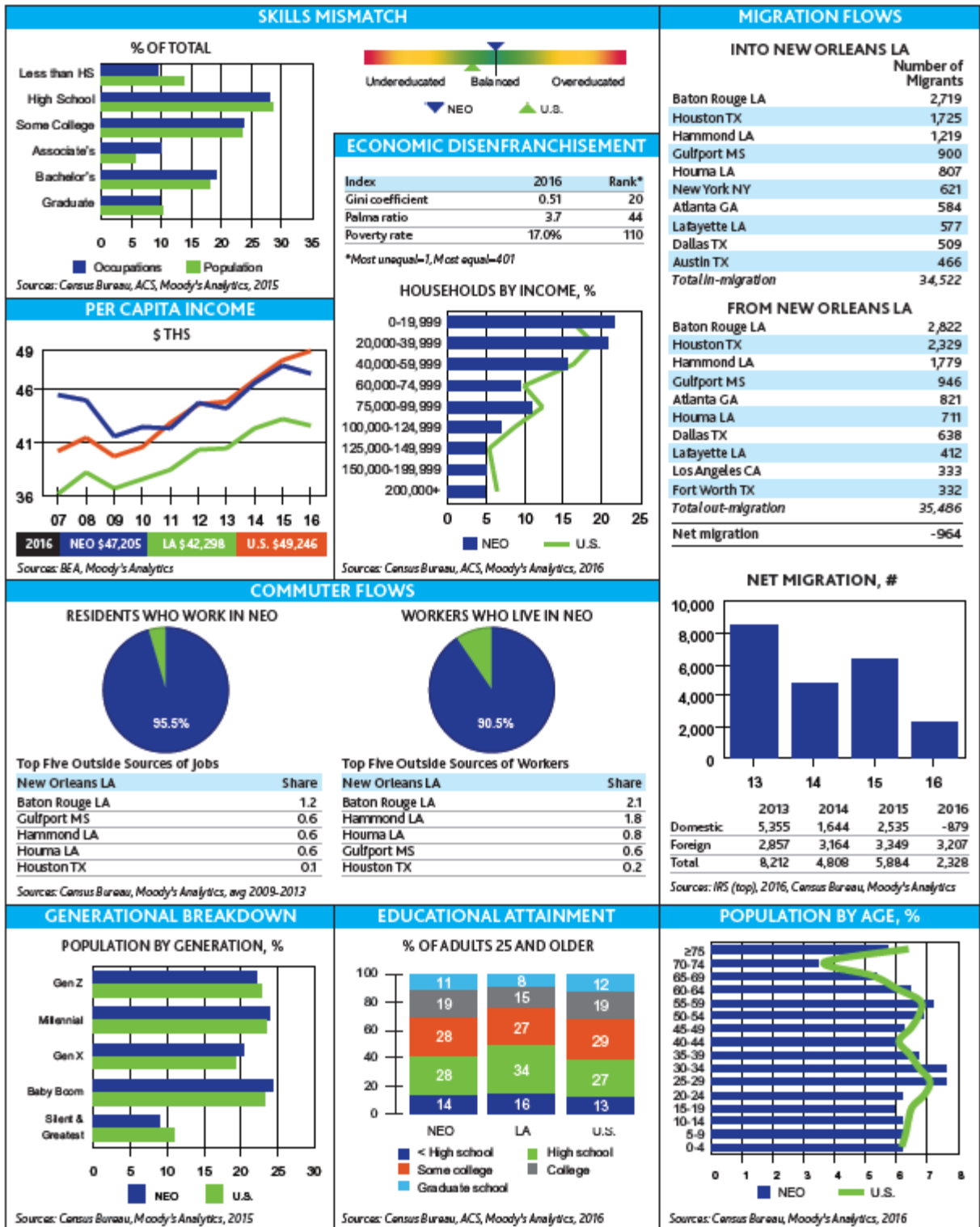
Moody's Economy.com

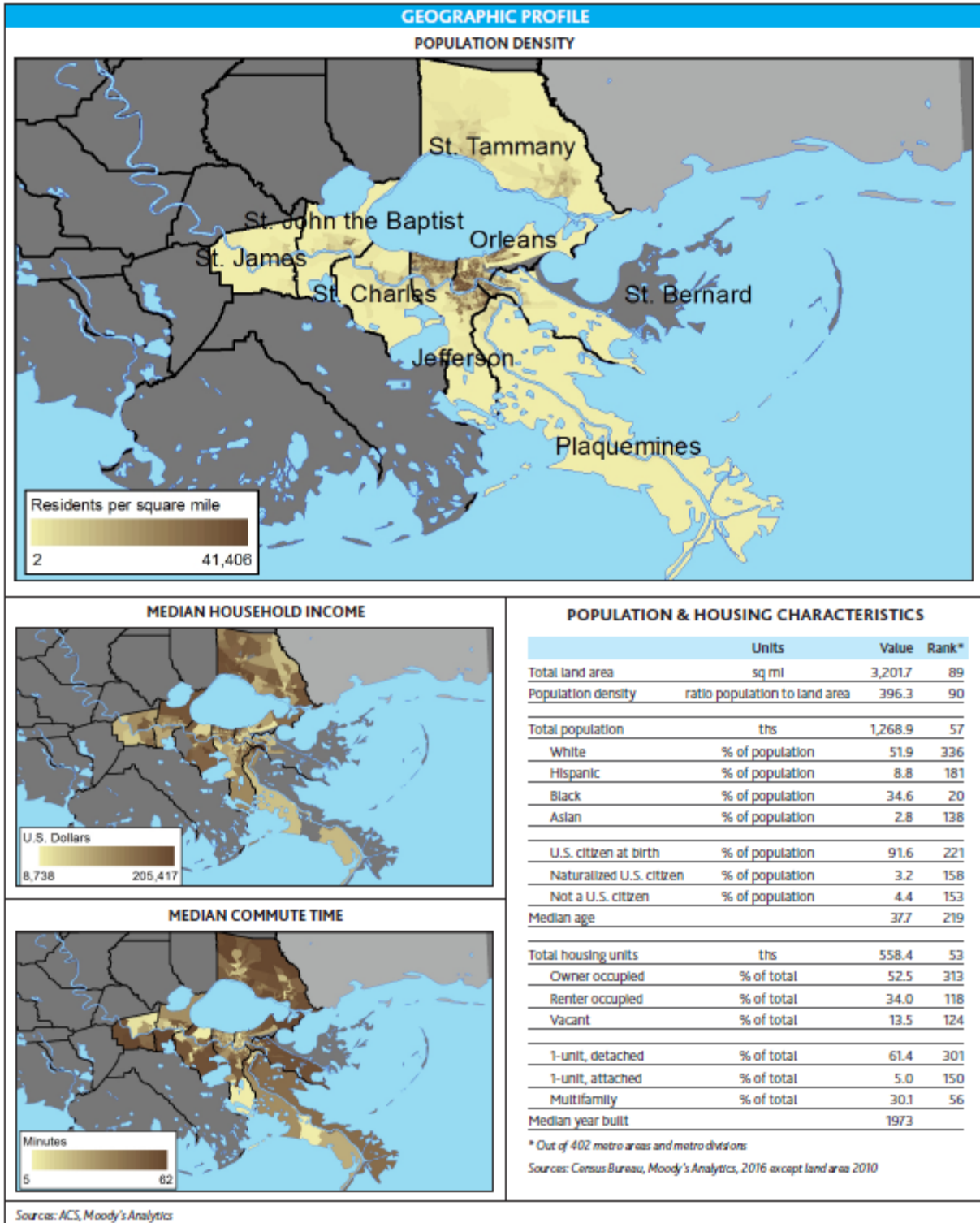
The following pages are taken from the most recent Moody's Economy.com report which was published in January 2018 and which discusses the local economy and trends in the New Orleans - Metairie. MSA market.











Employment

New Orleans has traditionally benefited from its role as a year around travelers' destination. The city's economy is based around the hotel and entertainment industry, tourism, shipping, and health care, but in

recent years the city has increased its Information technology workforce more than any other area. The city receives frequent accolades as to its growing IT sector often being referred to as the “Silicon Bayou.”

While tourism is still a major party of the city's economy, in recent years it has shifted its economic dependence to more diverse employment sectors.

Climate

Verified through weather bureau records, the New Orleans region has a mild climate. The average daily temperature ranges from 92.0 degrees Fahrenheit in July to 43.0 degrees Fahrenheit in January. The average annual temperatures range from a minimum of 59.0 degrees to a high of 77.0 degrees. Average annual rainfall in the recent past has been about 62 inches. Hurricanes are another important part of the regional climate, having the ability to impact the value of real property directly. It is estimated that Hurricane Andrew, the third strongest hurricane to make landfall in the U.S., caused combined damages of twenty five billion dollars in Louisiana and Florida. Hurricane Katrina caused by far the most damage of any hurricane in United States history, at an estimated \$81.2 billion in damages. Despite increases in tropical storm activity, Louisiana has only suffered one category five hurricane and three category four hurricanes over the past one hundred and five years.

Culture

Cultural attractions are provided by the Louisiana Philharmonic Symphony, the New Orleans Museum of Art, and a wide variety of theater and musical performances, art galleries, and historical and specialty museums. Musical tastes range from jazz to Dixieland to rhythm and blues.

Other major attractions include the Audubon Zoo, the Aquarium of the Americas, the Children's Museum, the D-Day Museum, City Park, Woldenberg Riverfront Park, and the Superdome. Audubon Zoo is ranked as one of the top five zoos in the United States. The French Quarter is the historic heart of New Orleans and the location of numerous world famous restaurants, night clubs, art galleries, antique stores, and hotels.

A waterfront park, Crescent Park, has recently been completed and has been opened to the public. This is a strong sign of the vitality and revitalization in the historic Bywater/Marigny neighborhoods. This area has experienced significant gentrification in both the residential and commercial areas.

Education

The Greater New Orleans area offers a vast array of educational, cultural, and leisure time activities. Educational opportunities are provided by the eleven colleges and universities located in the metropolitan area-Tulane, Xavier, Dillard, Loyola, University of New Orleans, the Southern University of New Orleans, Holy Cross University, Louisiana State University at New Orleans, Delgado Community College, Nunez Community College, and the Baptist Seminary. A wide range of undergraduate and graduate degree programs, as well as numerous non-credit continuing and professional education programs are available.

At the primary and secondary levels of education, many of the schools which service the lower-income areas struggle with issues common to most inner-city schools across the nation. However, the introduction of charter schools such as KIPP is giving gifted students an alternative to traditional public

schools. The ability to attract new industry to the area is dependent on the quality of the public education in the area. The metro area includes several nationally known private schools such as Isadore Newman, Country Day, Jesuit, and Sacred Heart. Additionally, the area's premier magnet school, Benjamin Franklin, annually ranks among the top public schools in Louisiana.

Government

Most of the included parishes have adopted a Parish President and Parish Council form of government. The unincorporated areas of the parish are under this jurisdictional governing format which exercises land use control in the form of a land use ordinance, provides for fire and police protection, limited sewerage and water service as well as other typical services offered by suburban governing entities within the region.

Medical

The Ochsner Medical Clinic in Jefferson Parish is known throughout the United States and the world as a leader in health care with specialists who regularly draw patients from South and Central America. It now serves as one of the most important medical facilities in the region.

Realignments in the medical community continue with Ochsner's recent acquisition of Northshore Regional Hospital for 24.8 million dollars and their acquisition of the old Mercy- Baptist facility in New Orleans. St. Margaret's, a nursing home operator has acquired the Boggs-Methodist facility. Other hospital facilities include the Tulane Medical Center, Children's Hospital of New Orleans and University Medical Center of New Orleans.

In-fill Residentila Development

Neighborhoods such as the Irish Channel, Lower Garden District, Milan, and even Central City are seeing significant investment from both outside and internal developers in bringing the dated and dilapidated housing stock back into commerce. The demand for housing in the various Uptown and Garden District neighborhoods, as well as the Warehouse District, Central Business District is a strong indicator that a young, mobile, educated class is migrating into New Orleans for both the growing economy and associated jobs as well as the quality of life which is accented by world class music, restaurants, and entertainment.

Recreational Facilities

Recreational facilities include a wide range of water sports on Lake Pontchartrain or one of the numerous lakes in the area. The Greater New Orleans area also offers several parks, golf courses, and other recreational sports. Sports enthusiasts can enjoy major league football with the New Orleans Saints. The city's NBA team, the Pelicans, was purchased as the Hornets by Tom Benson in 2012 and changed names as of the 2013-2014 season, which will keep the team in New Orleans for many years ahead. New Orleans (Jefferson Parish) also has minor league baseball, the Zephyrs, a minor league affiliate of the major league Washington Nationals.

The City of New Orleans hosts a large land based casino, Harrah's New Orleans; this casino has a 100,000 square foot facility and a 450 room hotel on Fulton Street. Additionally, Boomtown Casino operates a resort-style operation in Harvey located on the Westbank of the Mississippi River.

The area is also known for outdoor recreation, ranging from hunting and fishing to camping and water sports. Fishing is very popular in the area's countless rivers, bayous and lakes – with a world class red fishing habitat located just south of the City. There is also easy access to the Gulf of Mexico for deep sea fishing. The area has many state parks, wildlife refuges, and estuaries attracting ecotourism. St. Tammany Parish has a trail, which has been converted from an old railroad, for pedestrians, bicyclists, equestrians, rollerblade enthusiasts, and joggers that stretches for 31 miles.

Due to the damage suffered from Hurricane Katrina, many of the marina facilities operating in and around the region were lost. Fuel docks, boat storage (wet and dry), bait shops and other sporting related facilities were destroyed. The oil spill in 2010 created immediate demand for marine based infrastructure along most of the south Louisiana coast. The oil spill cleanup, supported by a large recovery expense account from BP, has also been an economic stimulator in the region.

Religion

All major denominations are represented in the area churches, synagogues, and mosques. The area's Catholic, Episcopal, and other religious schools provide a quality private school education to thousands of area children

Transportation

Transportation to and from the Greater New Orleans area is possible by sea, rail, air, bus, and car. Major points of public departure include: the Port of New Orleans; Missouri & Texas and the Southern Pacific (Amtrak); the Greyhound Bus Depot; and the Louis Armstrong International Airport.

In addition to the New Orleans International Airport, the Lakefront Airport and smaller airports are located throughout. The Port of New Orleans is located along the Mississippi River and is connected to the Intercoastal Canal and Gulf of Mexico via an extensive canal system. Facilities available for the Port include a container crane and bulk loading machinery. The Port of New Orleans embarked on an improvement and modernization program in excess of \$200 million in 2009 that was intended to improve its competitive position in world trade.

New Orleans is centralized for trade benefits from Mexico and parts of Central and South America. Vehicular transportation improvements along the riverfront (the Tchoupitoulas Corridor) have involved another \$35 million to facilitate the movement of cargoes to and from the wharf areas.

Travel within the metropolitan area is by means of the major traffic carrier Interstate Highway 10 and other U.S. and State highways. The Causeway Bridge (toll) connects the north side of Lake Pontchartrain to Metairie and the New Orleans area. Interstate 10 is a major east/west traffic carrier into the New Orleans area. It connects to Interstate Highway 55 in St. Charles Parish on the west bank of Lake Pontchartrain and Interstate Highway 12 on the east bank of Lake Pontchartrain. Interstate 55, a north/south traffic carrier, begins in Laplace and ends in Chicago. Interstate 12, an east/west traffic carrier, connects to

Interstate 10 at Baton Rouge and Interstate 59 at Slidell, bypassing the City of New Orleans and suburbs entirely.

Other highways and thoroughfares coupled with the freeway system provide convenient access into and out of the New Orleans area. Although the freeway and thoroughfare system is fairly extensive, the roadways are usually highly congested during the "rush hour" periods.

Summary

According to Moody's, New Orleans – Metairie will expand throughout 2017, but progress will be slow. Hiring at hospitals will bolster private services, but persistent woes in the energy industry will forestall more robust job growth. Over the long term, unfavorable demographics and susceptibility to climate disasters will limit New Orleans – Metairie's potential.

New Orleans Office Market

The CoStar Office Market Report is the primary source for the following retail data. These figures reflect conditions at Year-End 2017, the most recent data available. The initial discussion provides information on the overall New Orleans Office market, followed by the subject's submarket. The subject is located within the CBD Submarket, which will be discussed later in this report.

The New Orleans/Metairie/Kenner Office market ended the fourth quarter 2017 with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative 171,235 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 80,022 square feet. Rental rates ended the fourth quarter at \$17.92, decrease over the previous quarter.

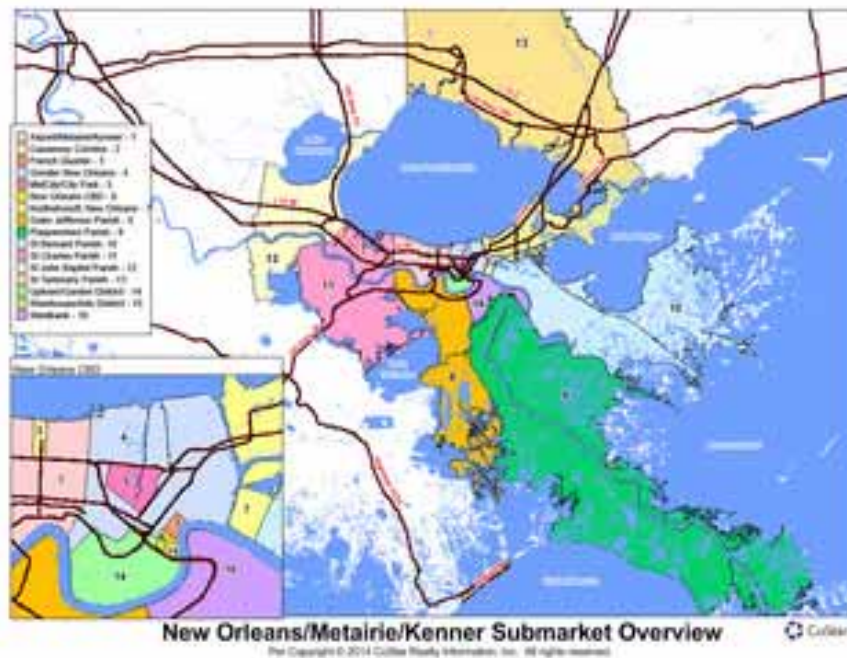


Figure 2: Overall New Orleans Office Market

Absorption

Net absorption for the overall New Orleans/Metairie/ Kenner office market was negative (171,235) square feet in the fourth quarter 2017. That compares to negative (63,681) square feet in the third quarter 2017, negative (60,856) square feet in the second quarter 2017, and positive 128,283 square feet in the first quarter 2017.

Tenants moving out of large blocks of space in 2017 include: First NBC Bank moving out of 98,368 square feet at 210 Baronne St; Roy Anderson Corp moving out of 35,300 square feet at Executive Tower; and Gallo Mechanical Services, L.L.C. moving out of 30,000 square feet at Lakeway II.

Tenants moving into large blocks of space in 2017 include: Home moving into 24,000 square feet at 71338 Highway 21; Fresnius Medical moving into 16,625 square feet at 2235 Poydras St; and TurboSquid moving into 15,794 square feet at 935 Gravier St.

The Class-A office market recorded net absorption of negative (89,685) square feet in the fourth quarter 2017, compared to negative (111,992) square feet in the third quarter 2017, negative (11,540) in the second quarter 2017, and negative (15,221) in the first quarter 2017.

The Class-B office market recorded net absorption of negative (76,981) square feet in the fourth quarter 2017, compared to positive 37,165 square feet in the third quarter 2017, negative (9,910) in the second quarter 2017, and positive 72,900 in the first quarter 2017.

The Class-C office market recorded net absorption of negative (4,569) square feet in the fourth quarter 2017 compared to positive 11,146 square feet in the third quarter 2017, negative (39,406) in the second quarter 2017, and positive 70,604 in the first quarter 2017.

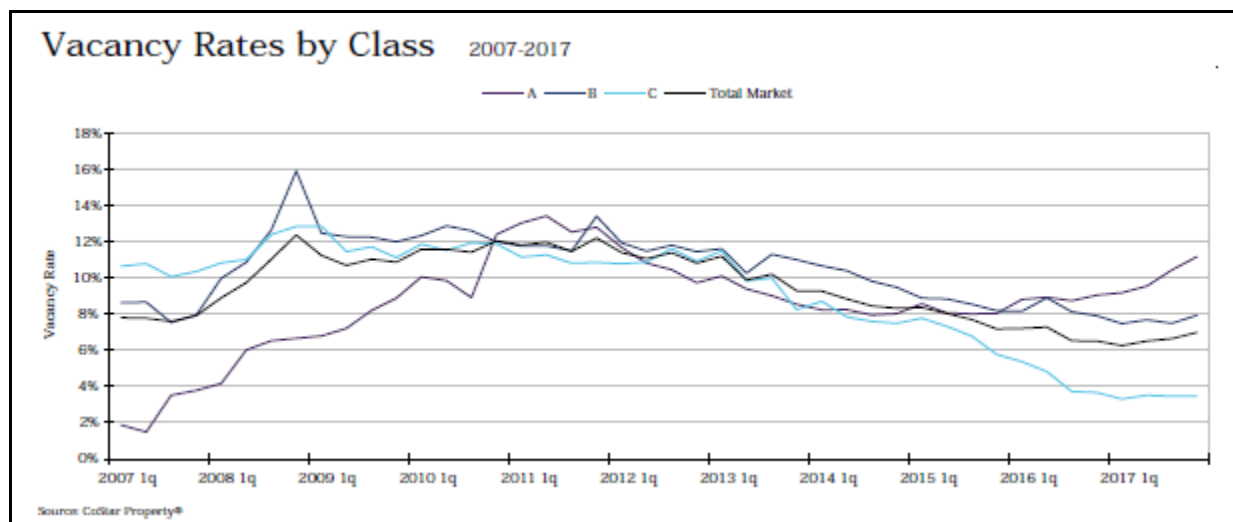
Vacancy

The office vacancy rate in the New Orleans/Metairie/ Kenner market area increased to 7.0% at the end of the fourth quarter 2017. The vacancy rate was 6.6% at the end of the third quarter 2017, 6.5% at the end of the second quarter 2017, and 6.3% at the end of the first quarter 2017.

Class-A projects reported a vacancy rate of 11.2% at the end of the fourth quarter 2017, 10.5% at the end of the third quarter 2017, 9.6% at the end of the second quarter 2017, and 9.2% at the end of the first quarter 2017.

Class-B projects reported a vacancy rate of 7.9% at the end of the fourth quarter 2017, 7.5% at the end of the third quarter 2017, 7.7% at the end of the second quarter 2017, and 7.5% at the end of the first quarter 2017.

Class-C projects reported a vacancy rate of 3.5% at the end of the fourth quarter 2017, 3.5% at the end of third quarter 2017, 3.5% at the end of the second quarter 2017, and 3.3% at the end of the first quarter 2017.



Largest Lease Signings

The largest lease signings occurring in 2017 included: the 42,176-square-foot lease signed by LAMMICO at 1 Galleria Blvd in the Airport/Metairie/Kenner market; the 24,000-square-foot deal signed by Home at 1 Galleria Blvd in the St Tammany Parish market; and the 23,885-square-foot lease signed by Pugh, Accardo, Haas & Radecker & Carey LLC at 1100 Poydras St in the New Orleans CBD market.

Sublease Vacancy

The amount of vacant sublease space in the New Orleans/Metairie/Kenner market decreased to 80,022 square feet by the end of the fourth quarter 2017, from 80,131 square feet at the end of the third quarter 2017. There was 96,934 square feet vacant at the end of the second quarter 2017 and 76,943 square feet at the end of the first quarter 2017.

New Orleans/Metairie/Kenner's Class-A projects reported vacant sublease space of 64,572 square feet at the end of fourth quarter 2017, up from the 47,922 square feet reported at the end of the third quarter 2017. There were 60,350 square feet of sublease space vacant at the end of the second quarter 2017, and 42,542 square feet at the end of the first quarter 2017.

Class-B projects reported vacant sublease space of 450 square feet at the end of the fourth quarter 2017, down from the 27,956 square feet reported at the end of the third quarter 2017. At the end of the second quarter 2017 there were 32,331 square feet, and at the end of the first quarter 2017 there were 30,148 square feet vacant.

Class-C projects reported increased vacant sublease space from the third quarter 2017 to the fourth quarter 2017. Sublease vacancy went from 4,253 square feet to 15,000 square feet during that time. There was 4,253 square feet at the end of the second quarter 2017, and 4,253 square feet at the end of the first quarter 2017.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$17.92 per square foot per year at the end of the fourth quarter 2017 in the New Orleans/Metairie/ Kenner market area. This represented a 0.2% decrease in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$17.96 per square foot.

The average quoted rate within the Class-A sector was \$19.40 at the end of the fourth quarter 2017, while Class-B rates stood at \$17.82, and Class-C rates at \$15.63. At the end of the third quarter 2017, Class-A rates were \$19.31 per square foot, Class-B rates were \$18.02, and Class-C rates were \$15.74.

Deliveries and Construction

During the fourth quarter 2017, no new space was completed in the New Orleans/Metairie/Kenner market area. This compares to one building totaling 3,000 square feet that were completed in the third quarter 2017, two buildings totaling 67,500 square feet completed in the second quarter 2017, and nothing completed in the first quarter 2017.

There were 29,200 square feet of office space under construction at the end of the fourth quarter 2017. Some of the notable 2017 deliveries include: The Offices @ River Chase - Phase I, a 40,000-square-foot facility that delivered in second quarter 2017 and is now 17% occupied, and 2360 5th St, a 27,500-square-foot building that delivered in second quarter 2017 and is now 100% occupied.

The largest projects underway at the end of fourth quarter 2017 were 2328 Metairie Rd, a 16,000-square-foot building with 60% of its space pre-leased, and Highway 190 Service Rd, a 13,200-square-foot facility that is 100% pre-leased.

Inventory

Total office inventory in the New Orleans/Metairie/Kenner market area amounted to 49,271,123 square feet in 3,332 buildings as of the end of the fourth quarter 2017. The Class-A office sector consisted of 12,553,036 square feet in 37 projects. There were 742 Class-B buildings totaling 17,198,206 square feet, and the Class-C sector consisted of 19,519,881 square feet in 2,553 buildings. Within the Office market there were 38 owner occupied buildings accounting for 1,783,691 square feet of office space.

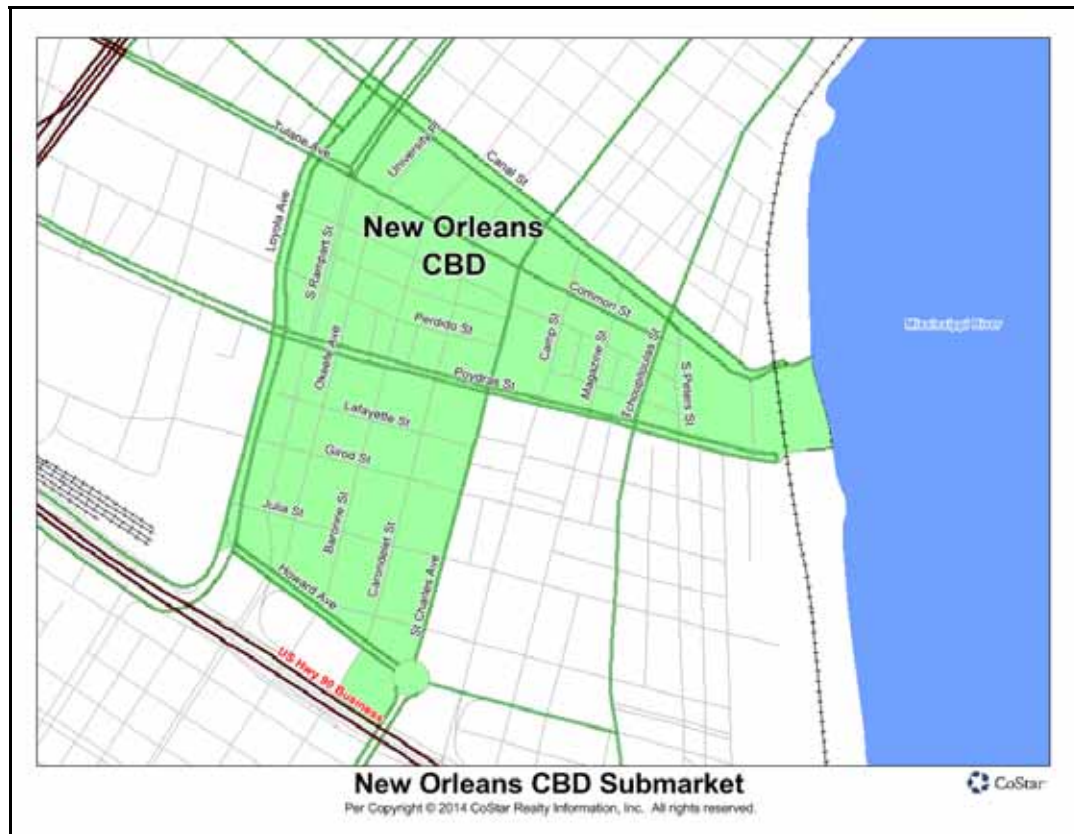


Figure 3: Submarket Map

CBD Submarket

The CBD Office Submarket has a total of 141 Class A, B and C office buildings containing a total of 9,961,888 SF of office space. There was a total of 603,585 SF of unoccupied space as of End of Year 2017 resulting in an overall vacancy of 6.1%. Net absorption was negative 115,574 SF of space. YTD deliveries account for 0 SF of office space in this submarket and there are presently 0 SF under construction in this submarket. The average overall quoted rental rate for Class A, B and C properties was \$18.26/SF.

Below is a summary of statistics for the New Orleans. market, which includes the CBD submarket.

Year-End 2017 - New Orleans/Metairie/Kenner

New Orleans/Metairie/Kenner Office Market

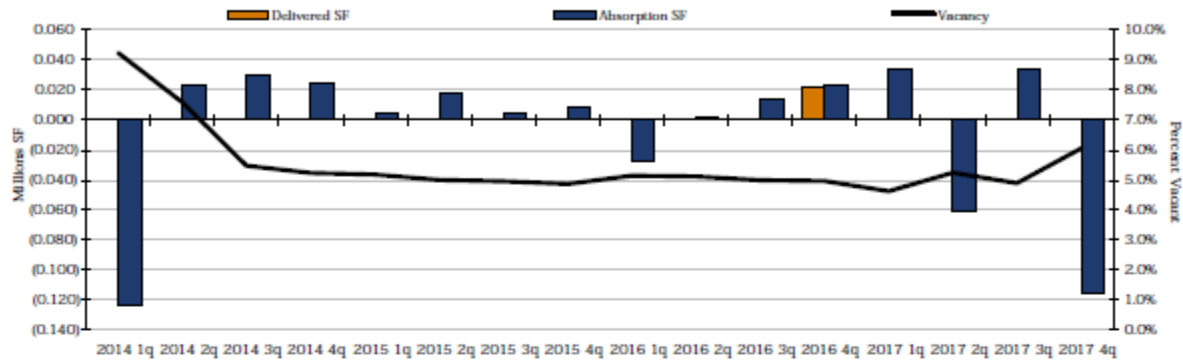
New Orleans CBD Market

Market Highlights - Class "A, B & C"

CoStar®

Deliveries, Absorption & Vacancy

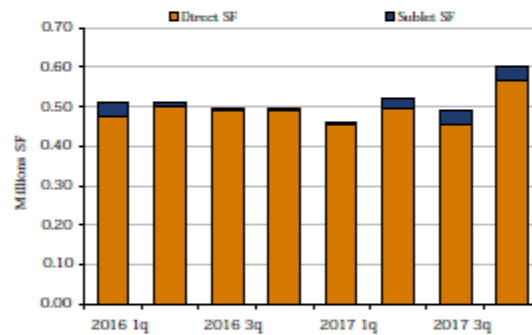
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 4q	141	9,961,888	603,585	6.1%	(115,574)	0	0	0	0	\$18.26
2017 3q	141	9,961,888	488,011	4.9%	34,493	0	0	0	0	\$18.12
2017 2q	141	9,961,888	522,504	5.2%	(61,365)	0	0	0	0	\$18.07
2017 1q	141	9,961,888	461,139	4.6%	33,955	0	0	0	0	\$17.79
2016 4q	141	9,961,888	495,094	5.0%	23,406	1	22,400	0	0	\$17.65
2016 3q	140	9,939,488	496,100	5.0%	13,299	0	0	1	22,400	\$17.65
2016 2q	140	9,939,488	509,399	5.1%	2,168	0	0	1	22,400	\$17.19
2016 1q	140	9,939,488	511,567	5.1%	(27,889)	0	0	1	22,400	\$16.87
2015 4q	140	9,939,488	483,678	4.9%	8,925	0	0	1	22,400	\$16.75
2015 3q	140	9,939,488	492,603	5.0%	5,204	0	0	1	22,400	\$16.78
2015 2q	140	9,939,488	497,807	5.0%	17,451	0	0	1	22,400	\$17.45
2015 1q	140	9,939,488	515,258	5.2%	4,144	0	0	0	0	\$16.63
2014 4q	141	9,940,488	520,402	5.2%	24,415	0	0	0	0	\$16.53
2014 3q	141	9,940,488	544,817	5.5%	30,008	0	0	0	0	\$16.28
2014 2q	142	10,134,803	769,140	7.6%	23,305	0	0	0	0	\$14.23
2014 1q	144	10,293,174	950,816	9.2%	(123,181)	0	0	0	0	\$16.31

Source: CoStar Property®

Conclusion

The New Orleans/Metairie/Kenner Office market ended the fourth quarter 2017 with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative 171,235 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 80,022 square feet. Rental rates ended the fourth quarter at \$17.92, decrease over the previous quarter.

The CBD Office Submarket has a total of 141 Class A, B and C office buildings containing a total of 9,961,888 SF of office space. There was a total of 603,585 SF of unoccupied space as of End of Year 2017 resulting in an overall vacancy of 6.1%. Net absorption was negative 115,574 SF of space. YTD deliveries account for 0 SF of office space in this submarket and there are presently 0 SF under construction in this submarket. The average overall quoted rental rate for Class A, B and C properties was \$18.26/SF.

Introduction

A neighborhood is “the defined geographic area in which the subject property competes for the attentions of market participants; the term broadly defines an area containing diverse land uses.” Neighborhood areas are defined by a combination of factors including physical features the demographic and socioeconomic characteristics of the residents or tenants, the condition of the improvements, and land use trends. Neighborhood analysis focuses on the identification of a neighborhood’s boundaries and the social, economic, governmental and environmental influences that affect the value of real property within those boundaries. In conducting neighborhood analysis, the competitive supply and demand for the subject property is more directly addressed.

The purpose of a neighborhood analysis is to provide a bridge between the study of general influences on all property values and the analysis of a particular subject. Neighborhood boundaries are identified by determining the area in which the four forces that affect value (social, economic, governmental and environmental) operate in the same way they affect the subject property. Interaction of the various components influencing these four forces often results in the dissimilarities regarding the length of time between the stages of a neighborhood's life cycle.



Figure 4: Neighborhood Map (subject denoted by pin)

General Description

The subject's primary market area is the New Orleans CBD area, approximately .65 miles east of Interstate 10 and Interstate 610 intersection and approximately .2 miles south of the New Orleans French Quarter. The formal primary market area is defined as the Mississippi River to the east, Interstate 10 to the south, Interstate 610 to the west, Canal Street to the north.

Access And Major Roadways

The area's access to highways and transportation facilities is considered good given the presence of IH-10, Interstate 610 and Interstate 510. I-10 travels east-west through the city as the Pontchartrain Expressway. In the far eastern part of the city, New Orleans East, it is known as the Eastern Expressway. I-610 provides a direct shortcut for traffic passing through New Orleans via I-10, allowing that traffic to bypass I-10's southward curve. In the future, New Orleans will have another interstate highway, Interstate 49, which will be extended to the city from its current terminus in Lafayette.

In addition to the major thoroughfares, the market area is well served by secondary roadways that provide access throughout the area.

Land Use Patterns

MARKET AREA COMPOSITION	
PROPERTY USE	% OF MARKET AREA
<i>SINGLE FAMILY</i>	<i>0%</i>
<i>MULTIFAMILY</i>	<i>10%</i>
<i>RETAIL</i>	<i>10%</i>
<i>OFFICE</i>	<i>50%</i>
<i>INDUSTRIAL</i>	<i>20%</i>
<i>RECREATION</i>	<i>10%</i>

Land uses within the subject neighborhood consist primarily of office and industrial development. Retail developments are generally located along the major thoroughfares, while residential uses are located on secondary thoroughfares. Land uses immediately surrounding the subject property include residential-related land uses, special-purpose, undeveloped land and industrial-related development.

Public Facilities/Services

The neighborhood is adequately serviced by all public utilities and services, as summarized in the following table.

Service Providers	
Water/Sewer	City of New Orleans
Electricity	Entergy New Orleans
Gas	Various
Police/Fire Department	City of New Orleans
Education	Orleans Parish School Board

Life Stages And Trends

The market area is in the stable stage of its life cycle. As previously noted, the area is approximately 95% developed. There are few tracts of vacant land remaining for development within the market area. In general, rental rates are rising and occupancy rates are above 95% for the New Orleans market. As the residential base within the subject Market Area continues to expand, supporting commercial development can be anticipated to continue in order to meet the demand generated by this residential base.

Demographics

The following table summarizes a demographic snapshot of the 1, 3, and 5 mile radii around the subject property.

COMPARATIVE DEMOGRAPHIC ANALYSIS FOR PRIMARY TRADE AREA			
Description	1 Mile Radius Totals	3 Mile Radius Totals	5 Mile Radius Totals
Population			
2023 Projection	17,035	199,052	393,072
2018 Estimate	16,190	189,317	375,260
2010 Census	13,658	166,030	333,935
2000 Census	16,846	224,871	451,580
2018 Est. Median Age	41.18	37.57	37.69
2018 Est. Average Age	42.29	39.42	39.35
Households			
2023 Projection	9,461	90,694	171,747
2018 Estimate	8,891	85,477	162,544
2010 Census	7,178	73,023	141,320
2000 Census	7,965	90,572	180,626
2018 Est. Average Household Size	1.66	2.08	2.22
2018 Est. Households by Household Income			
Income Less than \$15,000	24.35%	22.34%	19.95%
Income \$15,000 - \$24,999	9.85%	12.71%	12.32%
Income \$25,000 - \$34,999	7.34%	10.27%	10.50%
Income \$35,000 - \$49,999	7.75%	12.29%	12.73%
Income \$50,000 - \$74,999	11.70%	13.04%	13.99%
Income \$75,000 - \$99,999	10.20%	8.55%	9.07%
Income \$100,000 - \$124,999	8.02%	6.09%	6.45%
Income \$125,000 - \$149,999	5.59%	4.05%	4.30%
Income \$150,000 - \$199,999	6.54%	4.23%	4.36%
Income \$200,000 - \$249,999	3.72%	2.28%	2.20%
Income \$250,000 - \$499,999	3.36%	2.63%	2.62%
Income \$500,000 and more	1.57%	1.52%	1.51%
2018 Est. Average Household Income	\$82,278	\$70,495	\$72,331
2018 Est. Median Household Income	\$51,416	\$40,213	\$43,028
2018 Est. Tenure of Occupied Housing Units			
Owner Occupied	25.68%	37.44%	46.59%
Renter Occupied	74.32%	62.56%	53.41%
2018 Est. Median All Owner-Occupied Housing Value	\$407,643	\$294,679	\$241,470
Source: 2018 Claritas, Inc.			

Based upon development trends within the area, the life stage of the market area is considered to be one of stability. The area is developed with a mixture of commercial, retail, industrial, and residential uses. The 1-, 3- and 5-mile rings around the subject have shown primarily population increase over the previous years. The area is considered upper-income, with a median income of \$51,416 at the one mile radius and an average income of \$82,278. The majority of housing in the five-mile radius is renter-occupied at 53.41%.

Summary

The area has good access to freeways and support facilities. Given the attributes of the area, the short and long term prospects for the market area appear positive. After considering pertinent factors affecting

the market area, it is our opinion that the area will continue to experience stable market conditions with respect to demand for real estate.

Physical Characteristics

General Description

The subject site is located at 909 Poydras Street, at the northeast corner of the Poydras Street and O'Keefe Avenue. The site is currently developed with a 36-story office building.

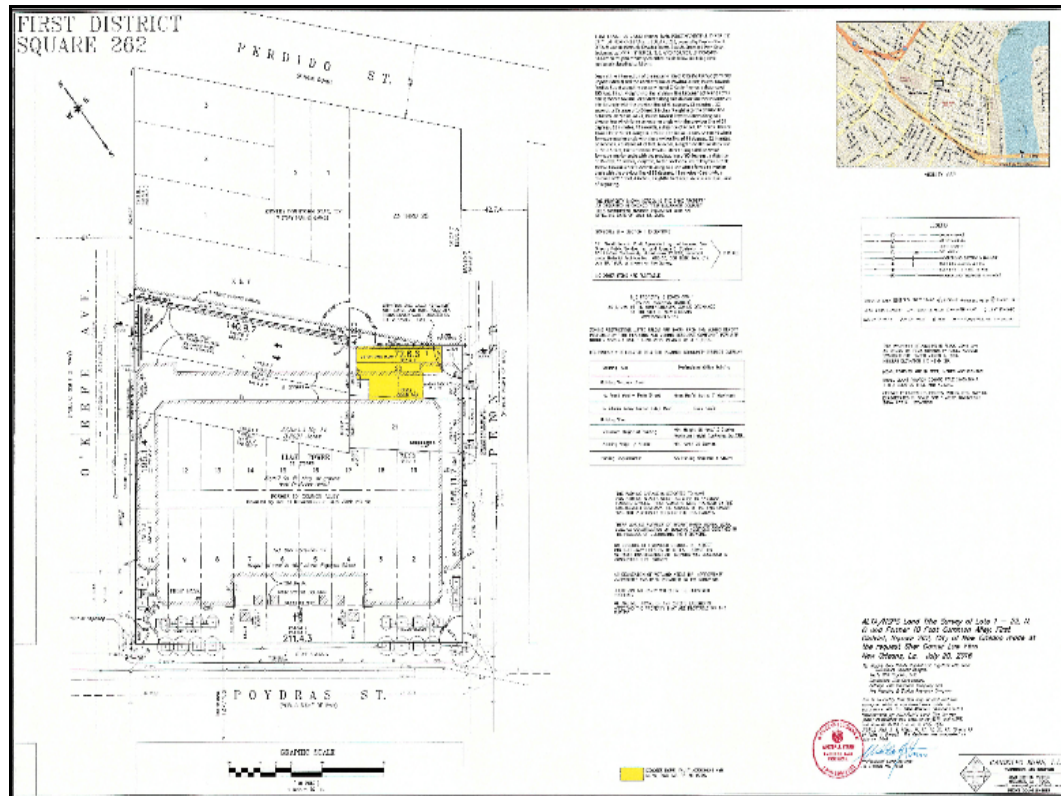


Figure 5: Survey

Size/Shape/Dimensions

The total land area is 0.69 acres (30,169 SF) and fronts Poydras Street with side street frontage on O'Keefe Avenue and Penn Street, and parking located on Perdido Street. The parcel is irregular in shape.



Figure 6: Aerial Parcel Map

Access/Visibility

Access to and visibility of the site are considered to be good. Direct access for pedestrians is provided by the sidewalk on all sides of the building. Vehicle access is provided by an underground parking garage which is entered from the east side of O'Keefe Avenue. Visibility is considered to be good due to the site's location at the northeast corner of the Poydras Street and O'Keefe Avenue.

Topography/Drainage

The subject site is at grade level with the fronting roadway. The topography of the site is level and drainage appears adequate.

Floodplain

According to the Federal Emergency Management Agency's Flood Insurance Rate Map, Community Panel Number 22071C0229F, effective September 30, 2016, the subject tract is located within Zone X. The "X" indicates that the subject is outside the 100 year flood plain.

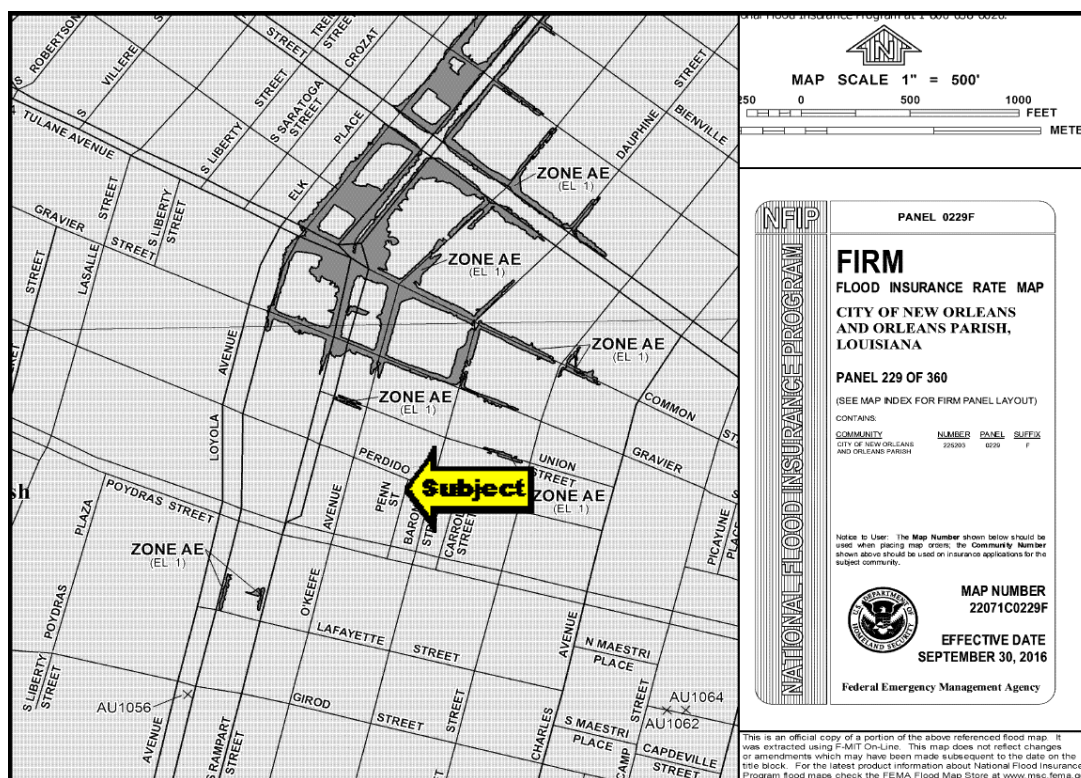


Figure 7: Flood Plain Map

Soil/Subsoil Conditions

A geo-technical analysis describing the soil and subsoil conditions at the site was not furnished to BBG, Inc. and no responsibility is assumed for these issues. Based on the surrounding development, it appears that soil/subsoil stability is adequate for development; however, it is recommended that a qualified expert be retained to render an opinion relative to soil/subsoil conditions.

Utilities/Services

All public utilities and services are currently available to the site. They are sufficient to support any new development. In addition, traffic capacity appears adequate.

Manmade Improvements

The subject site is developed with a 545,157 SF multi-tenant office building. The improvements are discussed in detail in the Improvement Analysis section of this report.

Hazards/Nuisances

At the time of our inspection, the subject site appeared to be free from nuisances such as noise, dust, vibrations, odor or smog. An environmental study was not provided BBG, Inc. during the course of our inspection. The appraisers assume that there are no hazardous conditions that would render the site less valuable.

Legal-Government Factors**Development Restrictions/Easements**

Based upon a review of the survey, legal description and a physical inspection of the site provided to this office, the subject site doesn't appear to be impacted by any detrimental easements.

Zoning

The subject property is zoned "CBD-1" - Core Central Business District. The specific requirements and limitations associated with this zoning classification are discussed within the Zoning Analysis section of this report.

Locational Factors**Surrounding Land Uses**

The subject site is located on the northeast corner of the Poydras Street and O'Keefe Avenue. The subject is surrounded by parking to the north, Office to the south, Hotels to the east, and a restaurant and parking lot to the west.

Conclusion

The subject site is considered to have good access and visibility due to its location at the northeast corner of the Poydras Street and O'Keefe Avenue. Office developments have continued to remain stable in direct response to continuing demand and the current real estate supply is adequate for the existing population base. Topographical characteristics are conducive to development and all utilities are available and of sufficient capacity for most uses.

Introduction

Zoning, the regulation of the use of real property by local government, restricts a particular territory to residential, commercial, industrial, or other uses. The local governing body considers the character of the property as well as its fitness for particular uses. It must enact the regulations in accordance with a well-considered and comprehensive plan intended to avoid arbitrary exercise of government power. A comprehensive plan is a general design to control the use of properties in the entire municipality, or at least in a large portion of it.

Development Standards

The subject is zoned "CBD-1" - Core Central Business District by the City of New Orleans. The purpose of the CBD-1 zone is to permit high-density commercial development. The district allows for a range of office uses.

The building requirements of the "CBD-1" - Core Central Business District zoning classification are summarized within the following table:

"CBD-1" - Core Central Business District	
Front Yard:	None
Rear Yard:	None
Side Yard:	None
Minimum Height:	36'
Maximum Height:	Controlled by F.A.R.
Maximum FAR:	15.71
Minimum Green Area Ratio:	None
Minimum Parking:	No Minimum Required

Parking

According to building management, there are 542 parking spaces (1 Space/1006 SF) and thus, the property is legally conforming.

Conclusion

The subject is located in the CBD-1 zoning district of the City of New Orleans. The subject is legally conforming. The purpose of the CBD-1 zone is to permit high-density commercial development. The district allows for a range of office uses.

General Description

The subject site is developed with a 545,157 SF office building that is known as First Bank & Trust Tower. The building has 545,157 SF of GLA according to the rent roll. The improvements consist of a steel/masonry frame building with a concrete panel, aluminum, and glass facade. The building was originally constructed in 1987 with the most recent renovation in 2012.



Figure 8: Typical Exterior View

Legal Uses and Ratios

The improvements represent a legally conforming use. The improvements are located on a 30,169 SF tract and total 545,157 SF of NRA, which results in a land to building ratio of 0.06:1 based on the site area of 0.69 acres. There are 542 parking spaces provided in an underground parking garage. The existing improvements represent a legally conforming status.

Construction Components

BBG, Inc. was not provided detailed building plans for the subject. The construction components referenced herein are based upon our inspection of the subject, a review of limited drawings, and our experience with similar buildings. The subject's basic construction components are outlined as follows:

Exterior Description

Foundation	Concrete pier and beam and concrete slab.
Structural System	Steel frame/Masonry.
Exterior Walls	Stone, Glass.
Roof	Flat rubber membrane roof with metal frame and metal deck.
Doors	Primary entry doors are glass with metal frames. Side service doors are insulated metal in metal frames.
Height	36 stories.

Interior Description

Interior Walls	Wood paneling, wall paper, and painted textured drywall.
Floor Covering	Vinyl tile, wood, finished concrete, laminate, carpet, and ceramic tile.
Ceilings	Open to roof structure, suspended aluminum frame grid system, and painted and textured drywall in some areas.
Lighting	Incandescent, strip fluorescent, recessed fluorescent, and recessed incandescent fixtures.
Doors	Solid core wood and glass doors.
Restrooms	Adequate restrooms provided.

Mechanical Systems

Heating/Cooling	Chilled water boiler, packaged HVAC system.
Electrical	Electrical is underground and is assumed to meet all applicable building codes; average commercial quality assumed. Backup generator.
Plumbing	Assumed to meet all applicable building codes; average commercial quality assumed.

Miscellaneous

Quality	Class A (Market)
Elevators	15
Parking	Garage parking
Life Safety	Several fire extinguishers and heat and smoke detection alarms. Wet sprinklers are located throughout.

Lighting	Public street lighting provided; exterior lights in loading dock area.
Signage	Wall-mounted retail signage on first floor exterior.

Quality/Condition

The subject is rated as good in regards to quality of construction for general office buildings within the immediate area. The interior amenities are equal to or better than those of competing properties of similar age, and comparable to many newer properties. The subject improvements are constructed in a manner that is comparative to alternative, directly competitive, substitute properties. Access and visibility is good due to the building's frontage at the northeast corner of the Poydras Street and O'Keefe Avenue. The subject improvements are well designed and functional for their intended use as a general office building.

Depreciation Estimate

The subject improvements were completed in 1987, with the most recent renovation in 2012. Due to the ongoing maintenance, an effective age of 15 years was concluded as the improvements are modestly impacted by physical deterioration, incurable. No functional obsolescence was present. There is no evidence of external obsolescence.

Conclusion

The functional utility and design of the subject building is rated as "good" and suitable for market conditions within the immediate office market. The layout and design of the improvements on the site is considered good and conducive to occupancy by office tenants. For more information, please refer to the photographs presented in the Exhibits section of this report.

Analysis of Site as Vacant

Legally Permissible

Except for a legally nonconforming property, the first step in determining what is legally permissible is to analyze private restrictions, zoning, building codes, historic district controls, and environmental regulations.

No restrictive covenants are known to exist that might preclude or limit use of the site in an office capacity. Additionally, there are no known restrictions, historic district controls, or environmental regulations that restrict the subject in any unreasonable manner.

The subject is zoned "CBD-1" - Core Central Business District by the New Orleans. This zoning district is not considered to impact the development potential of the site relative to commercial uses. Therefore, the subject is considered to be unrestricted from a legal standpoint.

Physically Possible

The physical characteristics of a site can affect the uses. These characteristics include: (1) size; (2) shape; (3) terrain or topography; (4) soil condition; (5) utilities; (6) access characteristics; and (7) surrounding land uses. Each of these site characteristics was described and discussed in the Site Analysis section of this report.

A number of uses are physically possible on the subject site. The 0.69 acre site is level and at grade with the fronting streets. Soil and subsoil conditions appear adequate for development as evidenced by area construction. Surrounding land uses are comprised of office buildings. The site lies in the middle of a dense office/residential district with a large daytime population that feeds retail, as well as a substantial residential population. From a development standpoint, the location within the Central Business District and proximity to other commercial uses suggest its utility for medium to high intensity office uses. Public utilities and traffic carriers are provided and are adequate in capacity. The subject site is of ample size and configuration to support a large multi-tenant development.

Financially Feasible

In determining which uses are legally permissible and physically possible, an appraiser eliminates some uses from consideration. Then the uses that meet the first two criteria are analyzed further. If the uses are income-producing, the analysis will study which are likely to produce an income, or return equal to or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible.

Speculative development is weak in the area, with office vacancy rates near 10%. Such development is not considered feasible at this time. Holding for future office development is considered financially feasible, as the market will likely recover at some point. Build-to-suit development with a large percentage of space leased is also considered feasible.

Maximally Productive

Among financially feasible uses, the use that provides the highest rate of return or value (given a constant rate of return) is the highest and best use. Office use with ground floor retail is considered the most productive use, although not financially feasible unless a large portion were pre-leased. Holding for future office development or build-to-suit development with a large tenant in place are considered the highest and best uses of the subject site as vacant.

Analysis as Improved**Legally Permissible**

The subject property is presently zoned "CBD-1" - Core Central Business District. The subject improvements contain a total area of 545,157 SF NRA. Based upon the land area of 0.69 acres and area of 545,157 SF GBA, a land-to-building ratio of 0.06:1 is indicated (FAR of 18.07:1). The construction density exhibited by the improvements is compatible with similar competitive properties in the immediate neighborhood. The current use is legally conforming, as improved.

Physically Possible

The subject improvements were completed in 1987, with renovation in 2012. The improvements have an estimated effective age of 15 years. These improvements are in good overall condition and of good quality construction. The subject improvements represent a physically possible use of the site as improved.

Financially Feasible

The improvements contribute a financial return to the site that is far greater than that which would be generated if the land were vacant. Since the return to the land and improvements is greater than the expenses associated with maintaining them, utilization of the improvements through their economic life is suggested.

Maximally Productive

There are no obvious alternative uses for the property at this time. Therefore, the improvements are representative of the highest and best use of the property as improved.

REAL ESTATE TAX ANALYSIS

The subject is located in the city of New Orleans, LA. Assessments for commercial property are based on 10% of the appraised land value, and 15% of the appraised improvement value. The summary of the year 2017 tax rates for the subject property is presented within the following table. Although there is only a single rate for commercial property in the city, the rate changes for the property's valuation level.

Tax Rate Summary	
	(\$)
Taxing Authority	2017 Tax Rates/\$1000
Orleans Parish - West Bank	154.0800
Totals	154.0800

The subject's assessment and resulting estimated tax liability for 2017 are calculated within the following table, based on 2017 tax rates and preliminary 2018 assessments. The tax amounts based on the one tax rate and their applicable valuation brackets are given as subtotals before being added for the final total.

Estimated Taxes	
Account No.:	104102101
Land:	\$3,016,900
Improvement:	\$32,272,100
Total Appraised Value:	\$35,289,000
Land Assesed Value (10%)	\$301,690
Improvement Assessed Value (15%)	\$4,840,815.00
2018 Total Assessed Value	\$5,142,505.00
Orleans Parish - West Bank	\$792,357.17
2018 Total Estimated Tax Liability	\$792,357.17

To provide a basis of comparison for this tax estimate, we have collected assessment data from other office buildings located within the subject's submarket. A summary of these assessments, using 2018 data, is included in the table below.

Summary of Tax Comparables			
Address	Size (SF)	Total Appraised Value	Assmt/SF
1100 Poydras Street	732,567	\$51,509,600	\$70.31
601 Poydras Street	1,009,605	\$55,339,100	\$54.81
501 Magazine Street	1,589,823	\$87,474,600	\$55.02
365 Canal Street	652,548	38,908,700	\$59.63
First Bank & Trust Tower	736,350	\$35,289,000	\$47.92

Although lower, the subject's assessment seems reasonable given the location, size, condition, and age compared to other similar facilities. According to officials with the Orleans Parish tax office, there are presently no outstanding balances or delinquencies existing for the subject's tax account.

Overview

The three traditional approaches to valuing improved properties are,

1. Sales Comparison Approach - a comparison of the property appraised with reasonable similar, recently conveyed properties for which the price, terms and conditions of sale are known.
2. Income Capitalization Approach - the processing of a projected net income into a valuation estimate via one or more capitalization techniques.
3. Cost Approach - an estimate of the replacement cost of all structural improvements as if new, less loss in value attributable to depreciation from all causes plus the value of the land as if vacant.

The Sales Comparison Approach is founded upon the principle of substitution that holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed by many to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property.

The Income Capitalization Approach is based on the principle of anticipation that recognizes the present value of the future income benefits to be derived from ownership in a particular property. The Income Approach is most applicable to properties that are bought and sold for investment purposes, and is considered very reliable when adequate income and expense data are available. Since income producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of producing a rental income.

The Cost Approach is based on the premise that the value of a property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structures from all causes plus the value of the land and entrepreneurial profit. This approach to value is particularly useful for appraising new or nearly new improvements. The Cost Approach was not utilized for this appraisal due to the age of the improvements. Due to the age of the subject and the resulting difficulty in accurately estimating accrued depreciation, the Cost Approach was not utilized within this analysis.

The Appraisal Process is concluded by a review and re-examination of each of the approaches to value that was employed. Consideration is given to the type and reliability of data used, the applicability of each approach to the type of property being appraised and the value being sought.

Introduction

The Sales Comparison Approach is premised upon the Principle of Substitution - a valuation principle that states that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market. The principle of substitution presumes that the purchaser will consider the alternatives available to him, that he will act rationally or prudently on the basis of his information about those alternatives, and that time is not a significant factor. Substitution may assume the form of the purchase of an existing property with the same utility, or of acquiring an investment, which will produce an income stream of the same size with the same risk as that involved in the property in question.

The applicability of this approach is based upon the assemblage of similar market sales and offering for comparison to the subject. Considerations for such factors as market condition, location, size, quality, age-condition, and amenities, as well as the terms of the transaction, are all significant to the subject property. Any adjustments to the sale price of market sales to provide indications of Fair Market Value for the subject must be derived from the market; therefore, the actions of typical buyers and sellers are reflected in the comparison process. Preferably, all properties are located in the same competitive area as the property being appraised or in an area which has very similar characteristics.

The Sales Price per Square Foot (SP/SF) is obtained by dividing the sales price by the net rentable area of the property. The sales price per square foot involves a comparison of physical attributes where adjustments must be made for any differences that affect sales prices. These differences include financing conditions, date of sale, location, quality of construction, age/condition, quality of construction and occupancy, among others. This is a reliable unit of comparison assuming a high degree of comparability. However, when somewhat dissimilar properties are compared, the Sales Price per Square Foot does not directly differentiate between their respective income producing capabilities.

The sales utilized in this analysis are summarized in the following table. Due to the lack of recent data in the immediate New Orleans area, the search was expanded to include the states of Mississippi and Alabama. The data presented in the following table represents the most recent sales data available within this market. These sales are considered to reflect current market conditions. A detailed description is included in the Exhibits section of this report.

Analysis of Comparable Sales

The sales below represent sales of similar office buildings. The following table provides a summary description of the sales considered most comparable to the subject.

Comparable Improved Sales Summary							
Sale No.	Name/Location	DOS	NRA (SF)	YOC	Ro	NOI/SF	Sales Price PSF
1	South Bridge Office Park	Apr-17	225,156	1984/2000	7.78%	\$9.68	\$124.36
2	4155 Clay Street	Nov-16	199,257	1996	6.92%	\$12.85	\$185.69
3	569 Brookwood Village	Aug-16	169,500	2007	6.80%	\$20.01	\$294.25
4	One Shell Square	Jun-15	1,249,500	1972	7.30%	\$10.11	\$138.50
5	Lakeway Center	Jun-13	1,221,870	1984	9.20%	\$10.92	\$118.67
Maximum		Apr-17	1,249,500	2007	9.20%	\$20.01	\$294.25
Minimum		Jun-13	169,500	1972	6.80%	\$9.68	\$118.67
Mean		-	613,057	-	7.60%	\$12.71	\$172.29
Subject	First Bank & Trust Tower		545,157	1987	-	\$10.30	-

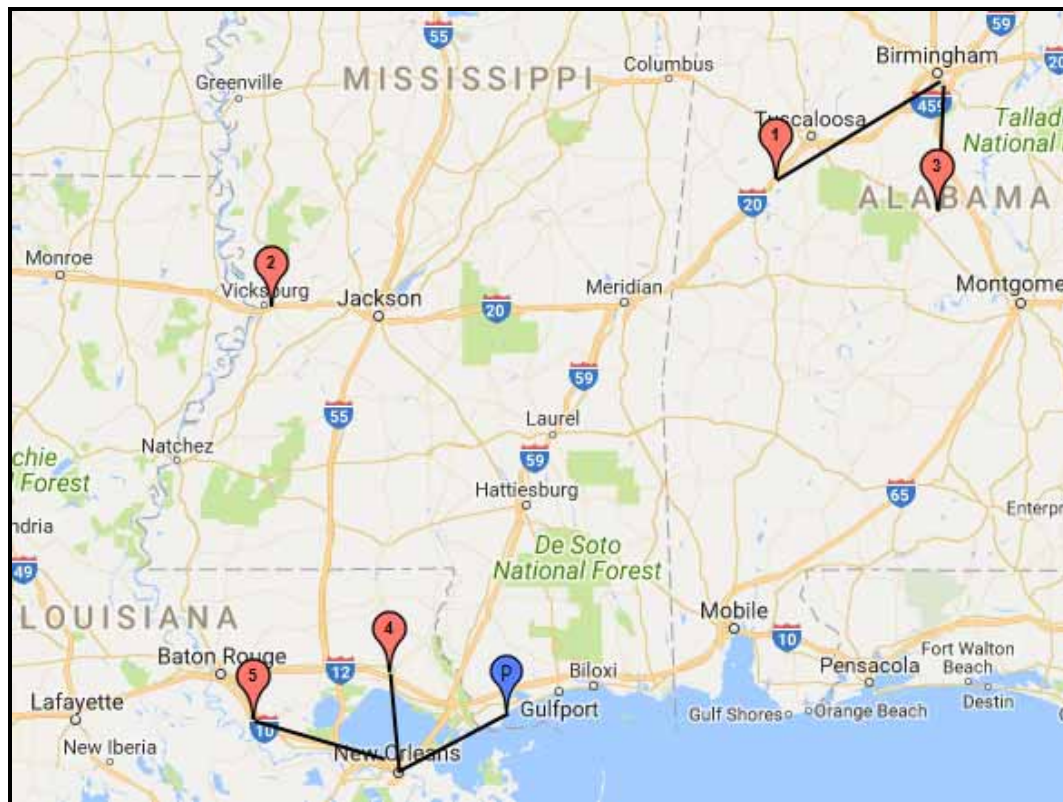


Figure 9: Comparable Sales Map

Sales Price Per Square Foot Analysis

It is recognized that dissimilarities exist between these sales and the subject in terms of location, building area, construction quality, age, date of sale, etc. However, they are the most reliable indicators of value currently available. Each sale possesses certain unique characteristics. These characteristics are

examined and discussed in the following paragraphs. Unless otherwise indicated, all adjustments were rounded to the nearest 5.0% increment.

Adjustment Analysis

Real Property Rights Conveyed: The leased fee interest of the subject property is being appraised. The comparables are representative of leased fee conveyances at the date of purchase. No adjustment is considered necessary since the subject is also trading on a leased fee basis.

Conditions of Sale: The sales used were considered to be "arms' length" transactions. The appraisers were not aware of any relationship between the Grantors or the Grantees of the respective transactions other than for the purpose of the sale.

Cash Equivalency: In an analysis of sales, any advantageous financing should be extracted from the sales price, due to the fact that favorable financing agreements can result in inflated value indications. In this analysis, all of the sales were all-cash transactions and did not require a cash equivalent adjustment.

Market Conditions: The adjustment for market conditions considers the changes in economic conditions, which have occurred between the dates of the individual sales and the date of this appraisal. Sales 1-3 are considered to be of current stock, thus no adjustment was warranted. Sales 5 is older, thus required an upward adjustment for taking place during inferior market conditions.

Location: The subject is well located relative to public transportation and fronts on the lively Poydras Street, which appeals to tenants. Sale 2 is located in Vicksburg, Mississippi along Clay Street. This is sale considered to have an inferior location when compared to the New Orleans CBD, with inferior frontage and demographics. Sales 1 and 3 are located in Homewood/Birmingham, Alabama. These sales are considered to have an inferior location when compared to the New Orleans CBD, with inferior frontage and demographics. The remaining sales are considered similar, thus did not require adjustments.

Size: Typically, smaller buildings sell at a greater Price/SF relative to larger buildings, all other factors being equal. As such, Sales 1 - 3 are adjusted downward for their smaller size, while Sales 4 and 5 are adjusted upward for their larger size.

Quality: This adjustment is based upon construction quality, amenities, and aesthetic appeal of the comparables. Sale 2 is considered inferior in quality and was adjusted upward. Sale 3 features attractive, newer architecture and was adjusted downward. The remaining sales are similar overall and required no adjustment.

Age/Condition: This adjustment is based upon both the chronological age of the comparables relative to the subject and the observed condition of each sale relative to that of the subject. The subject was constructed in 1987. Sales 2 and 3 are newer, thus were adjusted downward for this factor. Sale 4 is older, thus required an upward adjustment. The remaining sales were similar and did not require an adjustment.

Occupancy: The subject is initially being analyzed on a stabilized basis, similar to the sales, then deductions for lease up will be applied. Sale 1 is inferior and adjusted upward, while Sales 2 and 3 are superior and adjusted downward. The remaining sales are at stabilized occupancy and did not require adjustments.

Land To Building Ratio: This adjustment takes into consideration the land to building ratio of each of the comparables relative to that of the subject (0.06:1). Sale 1 is inferior and adjusted upward. Sales 2, 3, and 5 are superior, thus were adjusted downward, while the remaining sales are similar and not adjusted.

The following adjustment grid summarizes the adjustments made for differences in the comparable sales.

Comparable Sales Adjustment Grid						
Comparable Sale Number	Subject Data	1	2	3	4	5
Type of Transaction		Sale	Sale	Sale	Sale	Sale
Property Rights Conveyed	Leased Fee	Lease Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
Date of Sale		Apr-17	Nov-16	Aug-16	Jun-15	Jun-13
Location	CBD	Inferior	Inferior	Inferior	Similar	Similar
Building Size (SF)	545,157	225,156	199,257	169,500	1,249,500	1,221,870
Year Built	1987	1984/2000	1996	2007	1972	1984
Condition	Good	Good	Good	Good	Good	Good
Land to Building Ratio	0.06:1	1.84:1	3.75:1	1.31:1	0.10:1	0.29:1
Occupancy	81%	85%	100%	99%	94%	90%
Sales Price		\$28,000,000	\$37,000,000	\$49,875,000	\$173,055,750	\$145,000,000
UnAdjusted Price Per Square Foot		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Transactional Adjustments						
Price / SF		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Property Rights Conveyed	Leased Fee	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Financing Terms	Conventional	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Conditions of Sale	None	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Expenditures Imm. After Sale		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$124.36	\$185.69	\$294.25	\$138.50	\$118.67
Market Conditions		0.0%	0.0%	0.0%	0.0%	15.0%
Adjusted \$/SF - With Transactional Adjustments		\$124.36	\$185.69	\$294.25	\$138.50	\$136.47
Physical Adjustments						
Location	CBD	10.0%	10.0%	10.0%	0.0%	0.0%
Building Size (SF)	545,157	-10.0%	-10.0%	-10.0%	5.0%	5.0%
Quality	Good	0.0%	5.0%	-5.0%	0.0%	0.0%
Age/Condition	Good	0.0%	-10.0%	-20.0%	10.0%	0.0%
Occupancy	81%	5.0%	-5.0%	-5.0%	0.0%	0.0%
Land to Building Ratio	0.06:1	5.0%	-20.0%	-10.0%	0.0%	-5.0%
Total Physical Adjustments		10.0%	-30.0%	-40.0%	15.0%	0.0%
Value Indication Per Square Foot		\$136.79	\$129.98	\$176.55	\$159.28	\$136.47
Value Ranges						
		<u>Before Adjustment</u>	<u>After Adjustment</u>			
Minimum Price		\$118.67	\$129.98			
Maximum Price		\$294.25	\$176.55			
Mean Price		\$172.29	\$147.81			
Median Price		\$138.50	\$136.79			
Standard Deviation		\$73.09	\$19.53			

Final Correlation: The adjusted sales range from \$129.98/SF to \$176.55/SF with a mean of \$147.81/SF and a median of \$136.79/SF. Primary weight was placed on the central tendency of the data, with a value between the mean and median being reasonable. Less weight was given to Sales 2 and 3 due to the

amount of adjustments required. As such, we have concluded a value of \$148.00/SF within this analysis. Utilizing this per unit value conclusion, the total value of the subject property is calculated as follows:

Physical Adjustment Value Indication	
545,157 SF x	\$148.00 /SF = \$80,683,236
Rounded: \$81,000,000	

As mentioned earlier, the subject does not reach stabilization until Year 3 of the projection period. As such deductions for lost rent, tenant improvements and leasing commissions must be taken. These adjustments are taken from the discounted cash flow analysis presented later in the Income Capitalization Approach. Of note, entrepreneurial profit is included within the data set, thus was not deducted. The adjustments are outlined within the following table.

Adjusted Value Indication	
Unadjusted Value Indication	\$ 81,000,000
Less: Lost Rent	\$ (922,149)
Less: Tenant Improvements	\$ (2,030,972)
Less: Leasing Commissions	\$ (567,688)
"As Of" Value Indication	\$ 77,479,191
Rounded	\$ 77,500,000

Introduction

The Income Capitalization Approach is a process of estimating the value of real estate based upon the principle that the value is directly related to the present value of all future net income attributable to the property. The value of the real property is therefore derived by capitalizing net income either by direct capitalization or a discounted cash flow analysis. Regardless of the capitalization technique employed, one must attempt to estimate a reasonable net operating income based upon the best available market data; therefore, the derivation of this estimate requires the appraiser to: (1) project potential gross income (PGI) based upon a comparison of the subject to competing properties; (2) project income loss from vacancy and collection loss based primarily upon supply and demand relationships in the subject's market; (3) derive effective gross income (EGI) by subtracting the vacancy and collection income loss from PGI; (4) project the operating expenses associated with the production of the income stream by comparison of the subject to similar competing properties; and (5) derive Net Operating Income (NOI) by subtracting the operating expenses from EGI.

Existing Tenant

The subject is presently 81% leased with a total of 65 tenants. The leases are summarized in the following table.

First Bank & Trust Tower							
Tenant	Unit	SF	Annual Rent	Rent/SF	Lease Start	Lease End	Expenses
First Bank & Trust	0100	10,188	\$170,649.00	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1700	13,117	\$219,709.80	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1717	2,015	\$33,751.20	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1750	2,675	\$44,806.20	\$16.75	4/1/2016	3/31/2026	
First Bank & Trust	1780	2,422	\$40,568.52	\$16.75	4/1/2016	3/31/2026	
City Greens	0125	2,130	\$40,746.96	\$19.13	3/1/2011	8/31/2019	
Yong Cheng	0130	80	\$5,700.00	\$71.25	9/1/2015	8/31/2020	
McCrane Sistrunk Anzelmo et al	1000	14,490	\$246,330.00	\$17.00	2/1/2013	7/31/2024	
Scott Vicknair Hair & Checki	1100	5,523	\$95,271.72	\$17.25	6/1/2016	10/31/2023	
Robert Half International Inc	1150	4,701	\$85,793.28	\$18.25	4/1/2016	5/31/2021	
Vanir Construction Management	1175	1,815	\$34,031.28	\$18.75	11/1/2015	11/30/2018	
Jacobs Engineering Group, Inc	1200	13,115	\$242,616.00	\$18.50	12/1/2016	11/30/2019	
CSRS, Inc	1240	1,437	\$26,584.56	\$18.50	12/1/2016	11/30/2019	
Weiler & Rees, LLC	1250	2,519	\$45,971.76	\$18.25	3/1/2017	4/30/2020	
Raymond James & Associates	1300	16,100	\$313,950.12	\$19.50	3/7/1994	12/31/2019	
Morgan Keegan & Co., Inc	ANT01		\$3,000.00		4/12/1994	12/31/2019	
Middleberg	1400	10,479	\$183,382.56	\$17.50	12/20/2013	10/31/2021	
Rosolvit, LLC	1425	3,363	\$63,897.00	\$19.00	9/1/2015	9/30/2020	
Hertz - Property Management	1475	3,470	\$99,612.00	\$28.71	9/1/2017	12/31/2050	
Breazeale, Sachase & Wilson, LLP	1500	8,620	\$159,470.04	\$18.50	6/1/1998	8/31/2018	
Breazeale, Sachase & Wilson, LLP	1575	3,389	\$62,696.52	\$18.50	2/1/2012	8/31/2018	
Breazeale, Sachase & Wilson, LLP	1590	1,974	\$36,519.00	\$18.50	1/1/2010	12/31/2018	
Breazeale, Sachase & Wilson, LLP	ST711		\$840.00		2/1/2012	8/31/2018	
Coker & Palmer, Inc	1580	2,019	\$37,351.56	\$18.50	6/1/2015	6/30/2018	
Schonekas Evans McGoey McEachi	1600	10,965	\$202,852.56	\$18.50	3/1/2012	2/28/2023	
BOJ Construction LLC	1615	1,013	\$16,714.56	\$16.50	9/1/2015	11/30/2020	
Alvendi, Kelly & Demarest, LLC	1625	5,550	\$102,675.00	\$18.50	5/1/2015	6/30/2020	
Alvendi, Kelly & Demarest, LLC	1627	1,008	\$18,648.00	\$18.50	5/1/2015	6/30/2020	
Tidewater Marine, Inc	1630	1,459	\$28,450.56	\$19.50	2/1/2015	1/31/2018	
Garrison Yount Forte & Mulchany	1800	5,088	\$93,466.56	\$18.37	7/1/2014	10/31/2020	
Garrison Yount Forte & Mulchany	1820	1,273	\$23,385.00	\$18.37	7/1/2014	10/31/2020	
Spears & Spears LLC	1825	1,872	\$33,696.00	\$18.00	9/1/2017	9/30/2020	
Bland & Partners, PLLC	1860	5,670	\$104,895.00	\$18.50	9/1/2016	10/31/2021	
Blanchard and Company, Inc	1900	20,282	\$344,793.96	\$17.00	11/1/1999	9/30/2023	
Blanchard and Company, Inc	140	1,191	\$20,247.00	\$17.00	1/1/2011	9/30/2023	
Blanchard and Company, Inc	150	3,310	\$56,270.04	\$17.00	1/1/2011	9/30/2023	
Blanchard and Company, Inc	STRMEZ	1,071	\$10,710.00	\$10.00	10/1/2006	9/30/2023	
Lanier Parking Solutions of LA	2120	1,339	\$22,763.04	\$17.00	6/1/2017	5/31/2020	
Moses Engineers Inc	2150	9,839	\$172,182.48	\$17.50	7/1/2017	9/30/2020	
Building Conference Facility	2170	2,207			12/30/2013	12/31/2013	
Gori Julian & Associates	2195	1,917	\$34,506.00	\$18.00	7/1/2017	7/31/2020	
Marigny Capital Services, LLC	2230	7,088	\$129,356.04	\$18.25	7/1/2014	10/31/2021	
Marigny Capital Services, LLC	2200	4,148	\$75,700.92	\$18.25	7/1/2014	10/31/2021	
Marigny Capital Services, LLC	2280	817	\$14,910.24	\$18.25	8/1/2015	10/31/2021	
Advantage Capital Management	ST213		\$550.00		7/1/2014	11/30/2021	
Advantage Capital Management	ST315		\$640.00		7/1/2014	11/30/2021	
Advantage Capital Management	SAT514		\$432.00		7/1/2014	11/30/2021	
Capitol Energy Group Inc	2250	3,370	\$60,660.00	\$18.00	10/1/2017	2/28/2023	
First Insurance Agency Inc	2260	2,392	\$43,653.96	\$18.25	2/1/2015	4/30/2020	
John Fuller	2270	1,866	\$35,454.00	\$19.00	4/1/2015	3/31/2020	
Milling Benson Woodward LLP	2300	9,818	\$181,632.96	\$18.50	3/1/2016	2/28/2019	
Milling Benson Woodward LLP	2410	265	\$4,902.60	\$18.50	3/1/2016	2/28/2019	
Barrasso Usdin Kupperman et al	2400	18,377	\$330,786.00	\$18.00	5/1/2003	12/31/2019	
Barrasso Usdin Kupperman et al	2350	8,815	\$169,688.76	\$19.25	7/1/2011	12/31/2019	
Barrasso Usdin Kupperman et al	2425	1,400	\$26,949.96	\$19.25	3/1/2009	12/31/2019	
Stanley, Flanagan & Reuter LLC	2500	12,451	\$224,118.00	\$18.00	11/1/1997	4/30/2023	
Stanley, Flanagan & Reuter LLC	2550	4,116	\$74,088.00	\$18.00	2/1/2013	4/30/2023	
Iris Data Services, Inc	2570	2,893	\$55,950.60	\$19.34	12/20/2014	1/31/2020	
Sullivan Stoller LLC	2600	8,166	\$151,071.12	\$18.50	2/1/2017	7/31/2019	
Evangeline Securities LLC	2620	2,684	\$45,627.96	\$17.00	11/1/2016	4/30/2020	
Alliant Insurance Services	2650	6,333	\$110,827.56	\$17.50	10/24/2016	2/28/2022	
MV Health Administrators	2660	1,262	\$23,346.96	\$18.50	5/13/2017	6/30/2019	
Sher Garner Cahill Richter	2700	20,766	\$354,475.68	\$17.07	1/1/2006	12/31/2027	
Sher Garner Cahill Richter	2800	11,426	\$195,041.88	\$17.07	1/1/2006	12/31/2027	
Sher Garner Cahill Richter	ST415		\$720.00		1/1/2002	12/31/2050	
KPMG, LLP	2900	11,974	\$230,499.48	\$19.25	1/1/2005	5/31/2021	
KPMG, LLP	ST414		\$378.00		1/1/2005	5/31/2021	
Glago Law Firm / Klotz & Early	2950	5,152	\$92,736.00	\$18.00	1/1/2013	7/31/2018	
AIG Domestic Claims, INC	3000	6,821	\$122,778.00	\$18.00	1/1/2018	12/31/2024	
Beau Box New Orleans LLC	3025	5,877	\$102,847.56	\$17.50	3/1/2018	6/30/2023	
PricewaterhouseCoopers LLP	3100	7,851	\$143,280.72	\$18.25	11/1/2014	4/30/2025	
Stone Pigman Walther Wittmann	3200	17,119	\$325,260.96	\$19.00	8/1/2017	10/31/2032	
Stone Pigman Walther Wittmann	3150	8,510	\$161,690.04	\$19.00	8/1/2017	10/31/2032	
Stone Pigman Walther Wittmann	3300	17,119	\$325,260.96	\$19.00	8/1/2017	10/31/2032	
Kean Miller	3400	16,731	\$334,620.00	\$20.00	10/27/2013	10/31/2028	
Kean Miller	3600	13,875	\$277,500.00	\$20.00	10/27/2013	11/1/2028	
Time Warner Teloco of LA, LLC	LIC01		\$3,600.00		2/1/2009	1/31/2014	
Milling Benson Woodward, LLP	ST306		\$2,844.00		9/8/1990	12/31/20501	
Silbert & Garon LLP	ST615		\$636.00		11/1/2001	12/31/2050	
Silbert & Garon LLP	ST312		\$637.00		11/1/2001	12/31/2050	
Skycom 1	TEL02		\$3,900.00		12/30/2013	12/31/2013	
Cox Communications La LLC	TEL03		\$5,100.00		11/1/2010	10/31/2015	
Cogent Communications	TEL04		\$6,556.00		2/1/2014	1/31/2024	
Moses Engineers, Inc	ST411		\$720.00		4/1/2002	12/31/2050	
Garrison Yount Forte & Mulcahy	ST412		\$720.00		6/18/2004	12/31/2050	
Total		440,177	\$8,031,654.76	\$18.25			

Office Rent

To estimate the market rental rate of the office space in the subject, the rental rates of properties in the subject area have been analyzed. These rental rates are summarized and the pertinent details, including actual lease comps for each property, are located in the Exhibits section of this report.

Local Rent Comparables - Office						
No.	Name/ Location	Size (SF)	YOC	Occ Rate	Lease Rate	Lease Type
1	650 Poydras Street	450,000	1983/2005	93%	\$17.75	BY
2	650 Poydras Street	450,000	1983/2005	93%	\$18.00	BY
3	400 Poydras Street	606,608	1983	88%	\$17.00	BY
4	400 Poydras Street	606,608	1983	88%	\$16.00	BY
5	1250 Poydras Street	946,340	1978	96%	\$19.50	BY
6	1515 Poydras Street	594,240	1981	72%	\$18.50	BY
7	201 St. Charles Avenue	1,004,000	1984	89%	\$21.00	BY
Subj.	First Bank & Trust Tower	545,157	1987	81%	\$18.25	BY

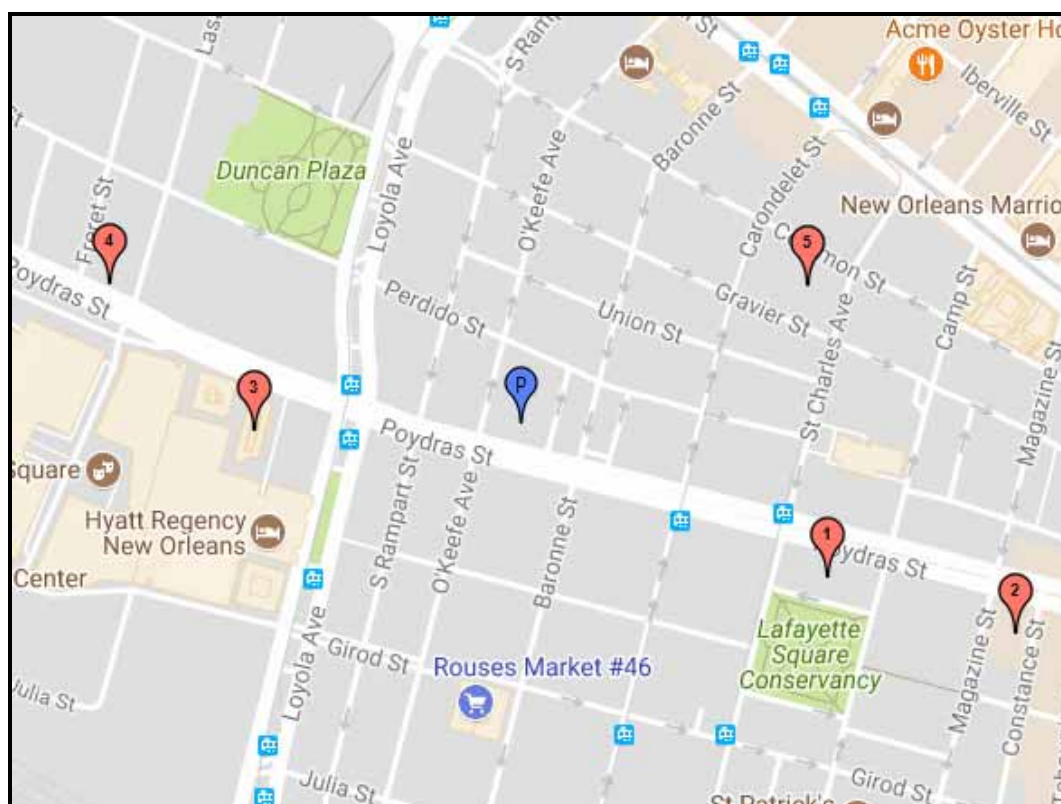


Figure 10: Office Rental Map

Market Rent Conclusion

The comparable office rentals indicate rates ranging from \$17.00/SF to \$21.00/SF on a Full Service (Base Year) basis, these rates being strictly representative of actual leases in the comparables (see Exhibits for details). For the purpose of this analysis, we are analyzing the subject on the basis of a Full

Service, Base Year lease structure, which is consistent with the subject's own lease rates. After taking into consideration the subject's favorable location, market rent for the office space was concluded at \$18.50/SF – \$19.00/SF FS with the lower end of the range being for the lower level space with rate ranging higher based upon floor level and resulting view. A 5 year term is concluded, this being an approximate average of recent leases signed at the subject and rent comparables. These rental rates include annual \$0.50/SF annual escalations and are based upon an initial tenant finish allowance of \$15.00/SF for new leases. A tenant finish of \$5.00/SF has been utilized for renewals. The concluded rates are bracketed by the comparables.

The rental rates for the subject's office space (\$10.00/SF to \$28.71/SF) are mostly in line with office rental rates from within the market. The concluded rates compare with the subject's current quoted rental rates and are supported by the in-place rents which average \$18.25/SF for office space. Additional support is given by broker opinions in the leasing market survey in the Discounted Cash Flow Analysis section below.

Summary of Market Rent

Conclusions of market rent for retail, office, and storage space are summarized below. Market rent for storage space was based on leasing brokers interviewed in the local market, as summarized in our leasing market survey in the Discounted Cash Flow Analysis below.

Market Rent Conclusions			
Description	Market Rent/SF	Lease Type	Term (Yrs)
Office Floors 1-13	\$18.50	BY	5
Office Floors 14-26	\$18.75	BY	5
Office Floor 27-36	\$19.00	BY	5
Storage	\$1,000 per Mo.	Gross	5

Other Income

The subject generated other income from parking revenue and other rental income (Misc). Year 1 other income is presented within the following table.

Other Income - Year 1	
Expense Reimbursement	\$ 33,820
Parking Income	\$ 850,000
Other (Misc)	\$ 74,000

Vacancy and Collection Loss

The New Orleans/Metairie/Kenner Office market ended the fourth quarter 2017 with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative 171,235

square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 80,022 square feet. Rental rates ended the fourth quarter at \$17.92, decrease over the previous quarter.

The CBD Office Submarket has a total of 141 Class A, B and C office buildings containing a total of 9,961,888 SF of office space. There was a total of 603,585 SF of unoccupied space as of End of Year 2017 resulting in an overall vacancy of 6.1%. Net absorption was negative 115,574 SF of space. YTD deliveries account for 0 SF of office space in this submarket and there are presently 0 SF under construction in this submarket. The average overall quoted rental rate for Class A, B and C properties was \$18.26/SF.

The following chart shows the historical occupancy for the New Orleans CBD for the past several years:

Historical Occupancy Rates	
YE 2017	81.0%
2Q 2016	94.9%
YE 2016	95.0%
YE 2015	95.1%
YE 2014	93.4%

Based upon the occupancy of the comparables, which ranges from 72% to 96% with an average of 88%, as well as a current submarket vacancy of 6.1%, a vacancy factor of 7% and a collection loss of 1% were applied to the office space. This is reasonable given the location of the subject and market indicators.

Per information provided by the leasing broker Cres Gardner, the large percentage of vacant space within the subject is due to the vacancy of Morris Burt Law office, which previously occupied approximately 38,000 SF. Cres believed that with consistent leasing, the occupancy would rise back up to market levels. Thus, a two-year absorption period is modeled, which is reasonable given the lack of space in the market.

Expiring Leases

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>
2018 Expirations							
9. Vanir Construction Management	1175	Base	Contract	11/30/2018	1 Year 11 Months	1,815.00	0.33%
17. Breazeale, Sachse & Wilson	1500	Base	Contract	8/31/2018	1 Year 8 Months	8,620.00	1.58%
18. Breazeale, Sachse & Wilson	1575	Base	Contract	8/31/2018	1 Year 8 Months	3,389.00	0.62%
19. Coker & Palmer, Inc.	1580	Base	Contract	6/30/2018	1 Year 6 Months	2,019.00	0.37%
20. Breazeale, Sachse & Wilson	1590	Base	Contract	8/31/2018	1 Year 8 Months	1,974.00	0.36%
25. TIDEWATER MARINE	1630	Base	Contract	1/31/2018	1 Year 1 Month	1,459.00	0.27%
50. Stanley & Flanagan & Reuter	2500	Base	Contract	4/30/2018	1 Year 4 Months	12,451.00	2.28%
51. Stanley & Flanagan & Reuter	2550	Base	Contract	4/30/2018	1 Year 4 Months	4,116.00	0.76%
60. Glago Law Firm	2950	Base	Contract	7/31/2018	1 Year 7 Months	5,152.00	0.95%
Total 2018 Expirations						40,995.00	7.52%
2019 Expirations							
2. City Green	125	Base	Contract	8/31/2019	2 Years 8 Months	2,130.00	0.39%
10. Jacobs Engineering Group	1200	Base	Contract	11/30/2019	2 Years 11 Months	13,115.00	2.41%
11. CSRS	1240	Base	Contract	11/30/2019	2 Years 11 Months	1,437.00	0.26%
13. Raymond James & Associates	1300	Base	Contract	12/31/2019	3 Years	16,100.00	2.95%
45. Milling Benson Woodward, LLP	2300-2410	Base	Contract	2/28/2019	2 Years 2 Months	9,818.00	1.80%
46. Barrasso Usdin Kuperman	2350	Base	Contract	12/31/2019	3 Years	8,815.00	1.62%
47. Barrasso Usdin Kuperman	2400	Base	Contract	12/31/2019	3 Years	18,377.00	3.37%
48. Milling Benson Woodward, LLP	2410	Base	Contract	2/28/2019	2 Years 2 Months	265.00	0.05%
49. Barrasso Usdin Kuperman	2425	Base	Contract	12/31/2019	3 Years	1,400.00	0.26%
53. Sullivan Stolier Knight	2600	Base	Contract	7/31/2019	2 Years 7 Months	8,166.00	1.50%
56. MV Health	2660	Base	Contract	6/30/2019		1,262.00	0.23%
Total 2019 Expirations						80,885.00	14.84%
2020 Expirations							
3. Yong Cheng	130	Base	Contract	8/31/2020	3 Years 8 Months	80.00	0.01%
12. WEILER & REES	1250	Base	Contract	4/30/2020	3 Years 4 Months	2,519.00	0.46%
15. Resolvit, LLC	1425	Base	Contract	9/30/2020	3 Years 9 Months	3,363.00	0.62%
22. BOI Construction LLC	1615	Base	Contract	11/30/2020	3 Years 11 Months	1,013.00	0.19%
23. Alvendia, Kelly & Demarest	1625	Base	Contract	6/30/2020	3 Years 6 Months	5,550.00	1.02%
24. Alvendia, Kelly & Demarest	1627	Base	Contract	6/30/2020	3 Years 6 Months	1,008.00	0.18%
30. Garrison Yount	1800	Base	Contract	10/31/2020	3 Years 10 Months	5,088.00	0.93%
31. Garrison Yount	1820	Base	Contract	10/31/2020	3 Years 10 Months	1,273.00	0.23%
32. Spears & Spears, LLC	1825	Base	Contract	9/30/2020		1,872.00	0.34%
35. Lanier Parking	2120	Base	Contract	5/31/2020		1,339.00	0.25%
36. MOSES ENGINEERS*	2150	Base	Contract	9/30/2020	3 Years 9 Months	9,839.00	1.80%
38. Gori Julian	2195	Base	Contract	7/31/2020		1,917.00	0.35%
42. First Insurance Agency	2260	Base	Contract	4/30/2020	3 Years 4 Months	2,392.00	0.44%
43. John Fuller	2270	Base	Contract	3/31/2020	3 Years 3 Months	1,866.00	0.34%
52. Iris Data Services, Inc.	2570	Base	Contract	1/31/2020	3 Years 1 Month	2,893.00	0.53%
54. Evangeline	2620	Base	Contract	4/30/2020	3 Years 4 Months	2,684.00	0.49%
Total 2020 Expirations						44,696.00	8.20%
2021 Expirations							
8. ROBERT HALF	1150	Base	Contract	5/31/2021	4 Years 5 Months	4,701.00	0.86%
14. Middleberg Riddle	1400	Base	Contract	10/31/2021	4 Years 10 Months	10,479.00	1.92%
33. Bland & Partners, PLLC	1860	Base	Contract	10/31/2021	4 Years 10 Months	5,670.00	1.04%
39. Marigny Capital Services	2200	Base	Contract	10/31/2021	4 Years 10 Months	4,148.00	0.76%
40. Marigny Capital Services	2230	Base	Contract	10/31/2021	4 Years 10 Months	7,088.00	1.30%
44. Marigny Capital Services, LLC	2280	Base	Contract	10/31/2021	4 Years 10 Months	817.00	0.15%
59. KPMG	2900	Base	Contract	5/31/2021	4 Years 5 Months	11,974.00	2.20%
Total 2021 Expirations						44,877.00	8.23%

As indicated in the above chart, turnover exposure is minimal until Year 2. This is another reason the appraiser has utilized a two-year absorption period. According to a discussion with the leasing broker, there is a high probability of tenants renewing their leases.

Operating Expenses

Historical operating data was provided for the real estate. Presented below are the subject expenses. These are based on line items in the operating expense sheets obtained from the client.

First Bank & Trust Tower Reconstructed Operating History												
Item	2013		2014		2015		2016		2017		2018 Budget	
	Actual	per SF	Actual	per SF	Actual	per SF	Actual	per SF	Actual	per SF	Actual	per SF
INCOME												
Rent	6,649,203	12.20	7,146,413	13.11	7,582,619	13.91	7,389,563	13.55	7,137,153	13.09	8,036,473	14.74
Reimbursements	171,727	0.32	239,284	0.44	428,395	0.79	252,923	0.46	412,794	0.76	307,480	0.56
Parking Income	830,757	1.52	870,169	1.60	885,377	1.62	886,859	1.63	847,806	1.56	950,549	1.74
Other Rental Income	88,743	0.16	89,942	0.16	63,704	0.12	92,222	0.17	74,520	0.14	54,630	0.10
Total Potential Gross Income	7,740,430	14.20	8,345,808	15.31	8,960,095	16.44	8,621,567	15.81	8,472,273	15.54	9,349,132	17.15
Less: Vacancy & Coll. Loss	-	-	-	-	-	-	-	-	-	-	-	-
Effective Gross Income	7,740,430	14.20	8,345,808	15.31	8,960,095	16.44	8,621,567	15.81	8,472,273	15.54	9,349,132	17.15
EXPENSES												
Cleaning	507,785	0.93	509,411	0.93	502,182	0.92	494,728	0.91	513,567	0.94	553,146	1.01
Repair & Maintenance	453,675	0.83	513,701	0.94	485,672	0.89	416,143	0.76	439,902	0.81	434,110	0.80
Utilities	854,246	1.57	857,871	1.57	800,870	1.47	854,059	1.57	920,145	1.69	979,877	1.80
CAM	14,798	0.03	15,526	0.03	18,842	0.03	16,256	0.03	32,418	0.06	22,795	0.04
Security	187,789	0.34	184,912	0.34	211,763	0.39	204,343	0.37	211,402	0.39	232,104	0.43
Payroll	406,097	0.74	409,965	0.75	447,424	0.82	522,552	0.96	610,408	1.12	630,513	1.16
General & Administrative	172,443	0.32	162,976	0.30	153,850	0.28	163,755	0.30	165,396	0.30	174,566	0.32
Management	195,797	0.36	214,193	0.39	219,665	0.40	225,356	0.41	405,219	0.74	456,368	0.84
Real Estate Taxes	778,968	1.43	925,971	1.70	851,023	1.56	867,191	1.59	879,195	1.61	881,796	1.62
Insurance	454,767	0.83	458,147	0.84	454,182	0.83	473,605	0.87	329,660	0.60	223,839	0.41
Non-Pass Operating Expenses (Landlord)	-	-	-	-	-	-	-	-	12,413	0.02	-	-
Total Expenses	4,026,365	7.39	4,252,673	7.80	4,145,473	7.60	4,237,988	7.77	4,519,725	8.29	4,589,114	8.42
Replacement Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses & Reserves	(4,026,365)	(7.39)	(4,252,673)	(7.80)	(4,145,473)	(7.60)	(4,237,988)	(7.77)	(4,519,725)	(8.29)	(4,589,114)	(8.42)
NET OPERATING INCOME	3,714,065	6.81	4,093,135	7.51	4,814,622	8.83	4,383,579	8.04	3,952,548	7.25	4,760,018	8.73

The 2017 IREM report is summarized within the following table.

2017 IREM Report Office Buildings - Region VI			
Range			
Category	Median	Low	High
Real Estate Taxes	5.22	2.03	8.08
Insurance	0.31	0.18	0.48
Repairs & Maintenance	1.69	1.28	1.79
Janitorial	0.98	0.79	1.25
Management	0.65	0.41	0.99
Utilities	1.65	1.39	1.99
Administrative	0.33	0.14	0.48
Payroll	0.58	0.42	0.85
Total	11.41	6.64	15.91

Limited expense comparables are presented as follows.

Location	Expense Comparables			
	1100 Poydras	1 Lakeshore	1100 Poydras	1 Lakeshore
GLA	732,567	346,832	732,567	346,832
Year of Operations	2016	2016	TTM	TTM
Item	PSF	PSF	PSF	PSF
Cleaning	\$0.93	\$0.87	\$1.00	\$0.80
R&M	\$0.75	\$0.85	\$0.66	\$0.77
Utilities	\$1.52	\$1.59	\$1.62	\$1.63
CAM	\$0.03	\$0.18	\$0.03	\$0.18
Security	\$0.39	\$0.46	\$0.40	\$0.48
Payroll	\$1.07	\$1.22	\$1.14	\$1.23
General & Admin	\$0.24	\$0.40	\$0.23	\$0.40
Management	\$0.51	\$0.26	\$0.51	\$0.27
RE Taxes	\$1.69	\$0.36	\$1.71	\$0.36
Insurance	\$1.00	\$0.86	\$0.97	\$0.83
Non-Pass Operating Expenses	\$0.20	\$0.05	\$0.21	\$0.06
Total Expenses	\$8.33	\$7.10	\$8.48	\$7.01

A discussion of each of the expense categories is as follows. It should be noted that due to future leases signed but not yet in effect and tenant rollover, the subject does not reach *economic stabilization* until Year 2. The NOI schedule includes these inflated expenses.

1. Repair & Maintenance: Properties typically have a repairs and maintenance charge in order to provide for repairs to the building proper. This expense was concluded at \$436,126 or \$0.80/SF, which is similar to budgeted figures. The inflated Year 3 expenses are \$462,686 or \$0.85/SF.
2. Janitorial & Cleaning: This expense covers janitorial services for the subject property. This expense was concluded at \$517,899 or \$0.95/SF, which is similar to budgeted figures. The inflated Year 3 expenses are \$549,439 or \$1.01/SF.
3. Utilities: Based upon the historical figures, this expense was concluded at \$926,767 or \$1.70/SF. The inflated Year 3 expenses are \$983,207 or \$1.80/SF.
4. CAM: Based upon the historical figures, this expense was concluded at \$16,355 or \$0.03/SF. The inflated Year 3 expenses are \$17,351 or \$0.03/SF.
5. Security: Properties typically have a security expense item in order to provide routine security services for the building. Based upon the historical figures, this expense was concluded at \$212,611 or \$0.39/SF. The inflated Year 3 expenses are \$225,559 or \$0.41/SF.
6. Payroll: Based upon the historical figures, this expense was concluded at \$626,931 or \$1.15/SF. The inflated Year 3 expenses are \$665,111 or \$1.22/SF.
7. General & Administrative: This line item covers the expenses incurred by the everyday operation of the business. Payroll is also included within this category. Based upon historical figures, this expense was concluded at \$163,547 or \$0.30/SF. The inflated Year 3 expenses are \$173,507 or \$0.32/SF.
8. Management: Management fees are typically based upon a percentage of the effective gross income, otherwise known as collections. The management expense has been concluded at 3.00% of EGI. This is within the range of the historical operations.

9. Real Estate Taxes: Real estate taxes were concluded at \$792,357 (\$1.45/SF). This is the estimated Year 1 tax based upon the current tax rate. The inflated Year 3 expenses are \$840,612 or \$1.54/SF.
10. Insurance: The subject will be insured against casualty loss with additional coverage for property liability. We have utilized an estimated insurance expense of \$327,094 or \$0.60/SF based on the historical figures. The inflated Year 3 expenses are \$347,014 or \$0.64/SF.
11. Structural Reserves: This account accrues funds for the eventual repair and replacement of building components that are not included in the repairs and maintenance charge. Such charges typically include capital expenditures for parking lots, roof replacement, and other miscellaneous expenditures necessary to maintain the integrity of the structural shell. Based upon our experience with similar properties and the type of construction of the subject, we have estimated structural reserves for the subject property at \$0.20/SF in Year One of our analysis. This is considered to be a capital expense and is only considered within the DCF Analysis.

The reconstructed operating statement for the subject is presented within the following table. This table outlines the subject's potential gross income, vacancy and collection loss estimate, effective gross income, expenses, and the resulting net operating income as if stabilized. The total operating expenses for the subject were projected at \$4,569,960, \$8.38/SF (excluding reserves). Again, this NOI schedule is based upon Year 3, the year of stabilization.

General vacancy is calculated as the Potential Gross Revenue + Absorption and Turnover Vacancy x Vacancy Rate – Absorption and Turnover Vacancy.

Reconstructed Operating Statement	
	Year 3
For the Years Ending	Dec-2020
Rental Revenue	
Potential Base Rent	10,353,347
Absorption & Turnover Vacancy	-318,372
Free Rent	-455,860
Scheduled Base Rent	9,579,114
Total Rental Revenue	9,579,114
Other Tenant Revenue	
Total Expense Recoveries	186,719
Total Other Tenant Revenue	186,719
Total Tenant Revenue	9,765,833
Other Revenue	
Parking Income	901,765
Other Rental/Sales Income	78,507
Total Other Revenue	980,272
Potential Gross Revenue	10,746,105
Vacancy & Credit Loss	
Vacancy Allowance	-456,141
Credit Loss	-107,461
Total Vacancy & Credit Loss	-563,602
Effective Gross Revenue	10,182,503
Operating Expenses	
R & M	462,686
Janitorial	549,439
Utilities	983,207
CAM	17,351
Security	225,559
Payroll	665,111
G & A	173,507
Management Fee	305,475
Real Estate Taxes	840,612
Insurance	347,014
Total Operating Expenses	4,569,960
Net Operating Income	5,612,543

Direct Capitalization

Capitalization is the process of converting a net income stream into an indication of value. This approach to valuation can be accomplished 1) by dividing a single year's net operating income by an appropriate overall capitalization rate i.e., Direct Capitalization or 2) by discounting to present value a net income

stream and property reversion over a projected holding period i.e., Discounted Cash Flow Analysis. The selection of the most appropriate overall capitalization rate (Ro) in Direct Capitalization can be accomplished by several methods, including the Sales Comparison Analysis and broker/investor surveys.

Derivation from Comparable Sales

In deriving an overall rate, the improved sales were analyzed with regards to the subject property. A summary of the overall rates from the comparable sales is presented within the following table.

Summary of Capitalization Rates			
No.	DOS	YOC	Ro (%)
1	Apr-17	1984/2000	7.78%
2	Nov-16	1996	6.92%
3	Aug-16	2007	6.80%
4	Jun-15	1972	7.30%
5	Jun-13	1984	9.20%
Subject		1987	
Minimum	Jun-13	1972	6.80%
Maximum	Apr-17	2007	9.20%
Mean	Dec-15	1990	7.60%
Median	Aug-16	1990	7.30%

National Investor Surveys

According to the 4th Quarter 2017 PwC Real Estate Survey, Free and Clear Capitalization Rates for the National CBD Office Market ranged from 3.50% to 8.00%, with an average of 5.73%.

Broker Survey

During the course of our market research, we surveyed several brokers active within the market downtown New Orleans office buildings. These surveys are summarized within the following table.

Broker Survey			
Name	Company	Cap Rate Range	
Meg Carrone	Corporate Realty	5.00%	6.00%
Cres Gardner	Beau Box	7.50%	
Gaines Seaman	Stirling Realty	5.00%	7.50%

Based upon the preceding, an overall rate of 7.00% is reconciled for the subject property. This rate is within the range indicated by the comparable sales, the PwC report, and broker interviews. The resulting value indication of the subject is presented within the following table.

Direct Capitalization Value Indication**NOI/Ro = Value Indication**

$$\$5,612,543 / 0.0700 = \$80,179,186$$
Rounded: \$80,200,000

As mentioned earlier, the subject does not reach stabilization until Year 3 of the projection period. As such deductions for lost rent, tenant improvements and leasing commissions must be taken. These adjustments are taken from the discounted cash flow analysis presented later in the Income Capitalization Approach. Of note, entrepreneurial profit is included within the data set, thus was not deducted. The adjustments are outlined within the following table.

Adjusted Value Indication	
Unadjusted Value Indication	\$ 80,200,000
Less: Lost Rent	\$ (922,149)
Less: Tenant Improvements	\$ (2,030,972)
Less: Leasing Commissions	\$ (567,688)
"As Of" Value Indication	\$ 76,679,191
Rounded	\$ 76,700,000

Discounted Cash Flow Method

Another technique associated with the Income Capitalization Approach is the Discounted Cash Flow Analysis (DCF). The DCF is a highly significant measure of investment performance and its understanding is important in analyzing properties such as the subject.

The purpose of the Discounted Cash Flow Analysis is to bring together all factors, which affect the return from a real estate investment. It is the process by which all cash flows are reduced to a single figure, the present value. These cash flows include all cash inflows, such as rents and proceeds of sale, as well as all cash outflows, such as operating expenses and vacancy and collection losses. The underlying objective of the DCF is to account for the entire flow of cash in and out of the project with respect to time so that the time value of money is properly recognized in the analysis.

A DCF is developed by projecting cash flows for the project over a ten-year holding period. Various assumptions are made, including increases in income and expense estimates, lease terms, and sales price of the investment at the end of the projected holding period. Actual leases on the property are also included as they affect the value of the property if different from market rents. All assumptions included in the DCF are based on actual market history and are consistent with the assumptions typically made by investors analyzing properties of this type in the southern United States Region. In performing the Discounted Cash Flow Analysis, we have utilized the lease-by-lease and cash flow analysis program ARGUS.

Following are the assumptions utilized within the Discounted Cash Flow Analysis:

1. The typical holding period is 10 years with resale at the end of the 10th year.
2. The “going out” or “terminal” overall rate is used by most investors to estimate the reversionary value of an asset. In a stabilized market, the terminal overall rate is usually 0.5% to 1.0% higher than current going-in rates. This is because the terminal rate reflects additional risks inherent in projecting ten years into the future and the fact buildings will be ten years older. The terminal overall rate utilized in analyzing the subject was 7.75%. This rate takes into consideration the fact that the subject rents will be at market at the end of the holding period and occupancy (tenant rollover) will be stable.
3. The existing leases have been entered into the DCF according to the terms provided to this office by the borrower. Rental rates are anticipated to increase at inflation through the holding period.
4. Inflation for expenses has been estimated at 3.0% for the entire holding period. Expenses are projected to increase with the general inflation rate. This is supported by the 4th Quarter 2017 PwC Report which indicates that investors utilize an inflation rate of 0.00% to 5.00% with a mean of 2.61% for income and 2.00% to 4.00% with a mean of 2.82% for expenses.
5. The current market rental rates are presented within the following table.

Market Rent Conclusions			
Description	Market Rent/SF	Lease Type	Term (Yrs)
Office Floors 1-13	\$18.50	BY	5
Office Floors 14-26	\$18.75	BY	5
Office Floor 27-36	\$19.00	BY	5
Storage	\$1,000 per Mo.	Gross	5

6. Given the amount of office space available within the subject's market, it is assumed that 70% of the existing tenants will renew their leases, with the remaining 30% vacating the space upon expiration. Vacated space is projected to have a 6-month releasing period for office space.
7. Tenant finish for office space was estimated at \$15.00/SF for new leases and renewals have a rate of \$5.00/SF. These are consistent with indications in the market.
8. Leasing commissions were estimated at 4% for new leases and 2% for renewals for both office and retail. These assumptions are reflective of current market practices within the subject area and are supported by the table below.
9. Within our analysis, we have utilized a vacancy and collection loss of 8%. This is adjusted to reflect tenant turnover due to lease expiration.

Leasing Market Broker Survey - Office			
Contact Company	Meg Carrone Corporate Realty	Cres Gardner Beau Box	Gaines Seaman Stirling Realty
Rent:	\$18.50-\$20.00	\$17.00-19.50	Average of \$18/SF
Leasing Commissions:	4% New, 2% Renewal	4% New w/o Coop Broker, 6% w/ Coop broker with 4% going to Coop broker	4% New, 2% Renewal
Concessions:	Depends on lease term	2 months free rent on a three year deal, 3-4 month on a five year deal	5 year: 3 months free 10 year: 6 months free
Tenant Allowances:	Not very much	\$2.00/sf/year on new deals & \$1.00/sf/year on renewals	5 year: \$20/sf 10 year: \$30-\$35/sf
Typical Term:	3-5 years	3-5 years	5-10 years
Escalations:	No Escalations	\$.50 per year	Typically no escalations
Marketing Period:	1 year	4-12 months	6 months
Source: Broker Surveys			

10. Selling and marketing expenses have been estimated at 1.0% of the gross proceeds from sale. This expense includes sales commissions and closing costs incurred during the sale of the property and will be incurred at the end of the tenth year of our projection term.

Derivation of Discount Rate

The rate used to discount projected cash flows and eventual property reversion reflects the acceptable yields that investors dealing in similar properties expect to achieve.

A yield rate differs from a direct capitalization rate (such as an equity dividend rate) in that it takes into consideration all equity benefits, including the equity reversion at time of resale, in addition to annual cash flow. The yield rate (discount rate) is the single rate that discounts all of the future equity benefits to the original equity investment. Factors to consider when selecting a yield rate are the alternative non-real estate returns available to investors, the quality of the investment considered, current market activity for financing, the relationship of contract rents to market rents for the property considered, and the tax shelter potential. A summary of alternative investment returns are shown in the following table.

	(1)	(2)	(3)	(4)	(5)	(6)
Period	Reserve Bank Rate	Prime Rate (Mo. Avg)	Corporate Bonds (Aaa)	Corporate Bonds (Baa)	US 5 YR Bonds	*US 30 YR Bonds
Oct-08	1.81	4.56	6.28	8.88	2.73	3.81
Feb-09	0.50	3.25	5.35	8.18	1.75	3.49
May-09	0.50	3.25	4.26	8.06	2.13	4.23
Oct-09	0.50	3.25	5.15	6.29	2.33	4.19
Jan-10	0.50	3.25	5.26	6.25	2.48	4.60
Apr-10	0.75	3.25	5.29	6.25	2.58	4.69
Jul-10	0.75	3.25	3.69	6.01	1.76	3.99
Oct-10	0.75	3.25	4.68	5.72	1.18	3.87
Jan-11	0.75	3.25	4.86	6.09	1.99	4.52
Apr-11	0.75	3.25	4.93	6.02	2.17	4.50
Jul-11	0.75	3.25	4.93	5.76	1.54	4.27
Sep-11	0.75	3.25	4.09	5.27	0.90	3.18
Dec-11	0.75	3.25	3.93	5.25	0.89	2.98
Mar-12	0.75	3.25	3.99	5.23	1.02	3.28
Sep-12	0.75	3.25	3.49	4.84	0.67	2.88
Dec-12	0.75	3.25	3.65	4.63	0.70	2.88
Jun-13	0.75	3.25	4.27	5.19	1.20	3.40
Sep-13	0.75	3.25	4.64	5.47	1.60	3.79
Dec-13	0.75	3.25	4.62	5.38	1.58	3.89
Mar-14	0.75	3.25	4.38	5.06	1.64	3.62
Jun-14	0.75	3.25	4.24	4.81	1.68	3.42
Sep-14	0.75	3.25	4.11	4.80	1.77	3.26
Dec-14	0.75	3.25	3.79	4.74	1.64	2.83
Mar-15	0.75	3.25	3.64	4.54	1.52	2.63
Sep-15	0.75	3.25	4.07	5.34	1.49	2.95
Dec-15	0.87	3.37	4.03	5.48	1.70	2.97
Mar-16	1.00	3.50	3.82	5.13	1.38	2.68
Jun-16	1.00	3.50	3.50	4.53	1.17	2.45
Sep-16	1.00	3.50	3.41	4.31	1.30	2.50
Dec-16	1.25	3.75	4.06	4.83	1.93	3.06
Mar-17	1.50	4.00	4.01	4.68	1.93	3.02
Jun-17	1.75	4.25	3.68	4.37	1.92	2.85
Sep-17	1.75	4.25	3.63	4.30	1.95	2.88

Source: [Valuation Magazine](#), Appraisal Institute

*As of April 2006, the Fed went back to reporting 30-yr rates; the historical data is 20+ year rates. A factor for adjusting the daily nominal 20-year constant maturity in order to estimate a 30-year nominal rate can be found at www.treas.gov/offices/domestic-finance/debt-management/interest-rate/ltcompositeindex.html.

The Fed uses the discount rate to control the supply of available funds, which in turn influences inflation and overall interest rates. The more money available, the more likely inflation will occur. Raising the rate makes it more expensive to borrow from the Fed. That lowers the supply of available money, which increases the short-term interest rates. Lowering the rate has the opposite effect, bringing short-term interest rates down.

Real estate differs from these rates as it has more risk and is not as liquid an investment. From these rates, the premiums for risk and liquidity can be estimated. The following chart analyzes these factors.

	Risk Analysis Prime Rate vs. Reserve Bank Rate (2) - (1)	Baa Bonds vs. Aaa Bonds (4) - (3)	Liquidity 30 yr. Bonds Vs. 5 yr. Bonds (6) - (5)
Period			
Oct-08	2.75	2.60	1.08
Feb-09	2.75	2.83	1.74
May-09	2.75	3.80	2.10
Oct-09	2.75	1.14	1.86
Jan-10	2.75	0.99	2.12
Apr-10	2.50	0.96	2.11
Jul-10	2.50	2.32	2.23
Oct-10	2.50	1.04	2.69
Jan-11	2.50	1.23	2.53
Apr-11	2.50	1.09	2.33
Jul-11	2.50	0.83	2.73
Sep-11	2.50	1.18	2.28
Dec-11	2.50	1.32	2.09
Mar-12	2.50	1.24	2.26
Sep-12	2.50	1.35	2.21
Dec-12	2.50	0.98	2.18
Jun-13	2.50	0.92	2.20
Sep-13	2.50	0.83	2.19
Dec-13	2.50	0.76	2.31
Mar-14	2.50	0.68	1.98
Jun-14	2.50	0.57	1.74
Sep-14	2.50	0.69	1.49
Dec-14	2.50	0.95	1.19
Mar-15	2.50	0.90	1.11
Sep-15	2.50	1.27	1.46
Dec-15	2.50	1.45	1.27
Mar-16	2.50	1.31	1.30
Jun-16	2.50	1.03	1.28
Sep-16	2.50	0.90	1.20
Dec-16	2.50	0.77	1.13
Mar-17	2.50	0.67	1.09
Jun-17	2.50	0.69	0.93
Sep-17	2.50	0.67	0.93
Mean	2.54	1.21	1.80
Standard Deviation	0.09	0.69	0.54
Minimum of Range	2.50	0.57	0.93

Using these rates as a guideline, we can build up a discount rate for real estate investments, the basis for which can be Aaa and Baa bonds, since real estate investors could easily invest in that alternative. The premium for risk can be supported by the difference between the Reserve Bank Discount Rate and the Prime Rate and the difference between Aaa and Baa bonds, since these differences are entirely related to risk. The premium for the illiquidity of real estate can be supported by the difference between US 5-Year Taxable Bonds and US 30-Year Taxable Bonds; in the case of these bonds, the difference is not illiquidity per se, since both can be easily sold, but the length of time the investors dollars are committed and the risk of a long term investment versus a short term investment. However, for our purposes, we can use this as a barometer of illiquidity.

As indicated previously, two premiums were extracted for risk and one premium was extracted for illiquidity of real estate. The following example uses the September 2017 bond rates to illustrate the technique used to build the discount rate ranges, shown as follows:

Aaa Bonds	September 2017	3.63	3.63
Risk		0.67	2.50
Liquidity		0.93	0.93
Indicated Rates		5.23	7.06
Baa Bonds	September 2017	4.30	4.30
Risk		0.67	2.50
Liquidity		0.93	0.93
Indicated Rates		5.90	7.73

The historical changes in the derived rates over the past several years are shown in the following table.

	Based on Aaa Bonds		Based on Baa Bonds	
	Indicated Discount Rate		Indicated Discount Rate	
Period	Minimum	Maximum	Minimum	Maximum
Jun-13	7.39	8.97	8.31	9.89
Sep-13	7.66	9.33	8.49	10.16
Dec-13	7.69	9.43	8.45	10.19
Mar-14	7.04	8.86	7.72	9.54
Jun-14	6.55	8.48	7.12	9.05
Sep-14	6.29	8.10	6.98	8.79
Dec-14	5.93	7.48	6.88	8.43
Mar-15	5.65	7.25	6.55	8.15
Sep-15	6.80	8.03	8.07	9.30
Dec-15	6.75	7.80	8.20	9.25
Mar-16	6.43	7.62	7.74	8.93
Jun-16	5.81	7.28	6.84	8.31
Sep-16	5.51	7.11	6.41	8.01
Dec-16	5.96	7.69	6.73	8.46
Mar-17	5.77	7.60	6.44	8.27
Sep-17	5.23	7.06	5.90	7.73

Support for these indicated discount rates can be found in the *Real Estate Investor Survey*, published by PwC Real Estate Investor Survey.

Following is a summary of pre-tax yields by property type for the past several years.

PRE-TAX YIELD (IRR%) BY PROPERTY TYPE									
Period		Industrial		Retail			Office		Apt.
		Warehouse	Flex/ R&D	Regional Mall	Power Centers	Strip	CBD	Suburb	All
3Q/15	Range	5.25-9.00	7.00-11.00	5.75-12.00	5.75-10.00	6.00-10.75	5.25-11.00	5.75-10.00	5.50-10.00
	Avg.	6.93	8.38	7.78	7.79	7.80	7.21	7.64	7.30
4Q/15	Range	5.50-9.25	7.00-11.00	5.00-12.00	6.00-10.00	6.00-10.75	5.25-11.00	5.75-10.00	5.00-10.00
	Avg.	6.99	8.33	7.65	7.79	7.78	7.20	7.61	7.26
1Q/16	Range	5.50-9.25	7.00-11.00	5.00-12.00	6.00-10.00	6.00-10.75	5.50-10.00	5.75-10.00	5.00-10.00
	Avg.	6.94	8.33	7.63	7.75	7.66	6.88	7.52	7.28
2Q/16	Range	5.50-9.25	7.00-11.00	5.00-11.50	6.00-10.00	6.00-10.75	5.50-10.00	5.75-10.00	5.00-10.00
	Avg.	6.90	8.23	7.65	7.79	7.54	7.18	7.59	7.28
3Q/16	Range	5.50-9.25	6.75-10.50	5.00-11.50	6.00-10.00	5.50-10.75	5.50-10.00	5.75-10.00	5.50-10.00
	Avg.	6.88	8.13	7.75	7.67	7.46	7.23	7.59	7.25
4Q/16	Range	5.50-9.25	6.75-10.50	5.00-11.50	6.00-10.00	5.50-10.75	5.50-10.00	6.00-10.50	5.50-10.00
	Avg.	6.84	8.13	7.75	7.67	7.39	7.16	7.86	7.30
1Q/17	Range	5.50-9.00	6.75-10.00	5.50-11.50	6.00-10.00	5.00-10.50	5.50-9.50	6.00-10.50	5.50-10.00
	Avg.	6.74	8.08	7.70	7.69	7.39	7.09	7.88	7.24
2Q/17	Range	5.50-9.00	6.75-10.00	5.50-11.50	6.00-10.00	5.50-10.50	5.50-9.50	6.00-11.50	5.50-10.00
	Avg.	6.66	8.08	7.60	7.56	7.32	7.05	7.97	7.28
3Q/17	Range	5.50-9.00	6.75-10.00	5.00-11.50	6.00-10.00	5.50-10.50	5.50-9.50	6.00-11.50	5.00-10.00
	Avg.	6.65	8.08	7.60	7.53	7.25	7.13	8.03	7.28
4Q/17	Range	5.50-9.00	6.75-10.00	5.00-11.50	6.00-10.00	5.50-10.50	5.50-9.50	6.00-12.00	5.50-10.00
	Avg.	6.60	8.08	7.60	7.62	7.50	7.05	8.34	7.26

Sources: PwC, Quarterly Survey of Real Estate Investors

The discount rates calculated previously based on a comparison of Aaa and Baa Bonds fall within the range found in the study above. Changes in the average IRR indications were mixed but generally higher over the past quarter and lower over the past year as reported in PwC. Apartments (-2 basis points), Warehouse (-5 basis points), Flex/R&D (+0 basis points), Suburban Office (+31 basis points), CBD Office (-8 basis points), Strip Retail (+25 basis points), Power Center (+9 basis points), and Regional Mall (+0 basis points). However, rates have generally decreased over the past year. Apartments (-4 basis points), Warehouse (-24 basis points), Flex/R&D (-5 basis points), Suburban Office (+48 basis points), CBD Office (-11 basis points), Strip Retail (+11 basis points), Power Center (-5 basis points), and Regional Mall (-15 basis points).

Based upon the preceding discussion and considering the significant income growth at the end of the projection period, a discount rate of 8.25% is considered appropriate for the subject.

Cash Flow Report 909 POYDRAS (Amounts in USD) Jan, 2018 through Dec, 2028 2/22/2018 1:17:49 AM												
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Total
For the Years Ending	Dec-2018	Dec-2019	Dec-2020	Dec-2021	Dec-2022	Dec-2023	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	
Rental Revenue												
Potential Base Rent	10,030,119	10,190,559	10,353,347	10,625,819	10,860,073	11,155,606	11,549,367	11,889,848	12,297,174	12,636,979	13,107,644	124,696,535
Absorption & Turnover Vacancy	-1,487,896	-537,903	-318,372	-155,305	0	-419,824	-362,593	-449,969	-296,883	-114,991	-453,731	-4,597,468
Free Rent	-400,988	-369,552	-455,860	-174,150	-148,789	-393,981	-720,194	-673,217	-405,801	-275,066	-364,282	-4,381,880
Scheduled Base Rent	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631	115,717,187
Total Rental Revenue	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631	115,717,187
Other Tenant Revenue												
Total Expense Recoveries	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683	4,072,923
Total Other Tenant Revenue	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683	4,072,923
Total Tenant Revenue	8,175,054	9,402,197	9,765,833	10,595,479	11,128,753	10,829,362	10,919,686	11,217,565	12,064,232	12,805,635	12,886,314	119,790,110
Other Revenue												
Parking Income	850,000	875,500	901,765	928,818	956,682	985,383	1,014,944	1,045,393	1,076,755	1,109,057	1,142,329	10,886,626
Other Rental/Sales Income	74,000	76,220	78,507	80,862	83,288	85,786	88,360	91,011	93,741	96,553	99,450	947,777
Total Other Revenue	924,000	951,720	980,272	1,009,680	1,039,970	1,071,169	1,103,304	1,136,403	1,170,496	1,205,610	1,241,779	11,834,403
Potential Gross Revenue	9,099,054	10,353,917	10,746,105	11,605,158	12,168,723	11,900,531	12,022,990	12,353,969	13,234,727	14,011,245	14,128,093	131,624,513
Vacancy & Credit Loss												
Vacancy Allowance	0	-224,524	-456,141	-667,927	-851,811	-442,601	-504,398	-446,306	-650,330	-873,845	-566,997	-5,684,880
Credit Loss	-90,991	-103,539	-107,461	-116,052	-121,687	-119,005	-120,230	-123,540	-132,347	-140,112	-141,281	-1,316,245
Total Vacancy & Credit Loss	-90,991	-328,063	-563,602	-783,979	-973,498	-561,606	-624,628	-569,846	-782,677	-1,013,958	-708,278	-7,001,125
Effective Gross Revenue	9,008,064	10,025,854	10,182,503	10,821,180	11,195,225	11,338,925	11,398,362	11,784,123	12,452,050	12,997,288	13,419,815	124,623,389
Operating Expenses												
R & M	436,126	449,209	462,686	476,566	490,863	505,589	520,757	536,379	552,471	569,045	586,116	5,585,808
Janitorial	517,899	533,436	549,439	565,922	582,900	600,387	618,399	636,951	656,059	675,741	696,013	6,633,147
Utilities	926,767	954,570	983,207	1,012,703	1,043,084	1,074,377	1,106,608	1,139,806	1,174,001	1,209,221	1,245,497	11,869,841
CAM	16,355	16,845	17,351	17,871	18,407	18,960	19,528	20,114	20,718	21,339	21,979	209,468
Security	212,611	218,990	225,559	232,326	239,296	246,475	253,869	261,485	269,330	277,409	285,732	2,723,081
Payroll	626,931	645,738	665,111	685,064	705,616	726,784	748,588	771,045	794,177	818,002	842,542	8,029,598
G & A	163,547	168,454	173,507	178,712	184,074	189,596	195,284	201,142	207,177	213,392	219,794	2,094,678
Management Fee	270,242	300,776	305,475	324,635	335,857	340,168	341,951	353,524	373,562	389,919	402,594	3,738,702
Real Estate Taxes	792,357	816,128	840,612	865,830	891,805	918,559	946,116	974,499	1,003,734	1,033,846	1,064,862	10,148,347
Insurance	327,094	336,907	347,014	357,425	368,147	379,192	390,568	402,285	414,353	426,784	439,587	4,189,356
Total Operating Expenses	4,289,928	4,441,053	4,569,960	4,717,055	4,860,049	5,000,086	5,141,667	5,297,231	5,465,580	5,634,698	5,804,717	55,222,024
Net Operating Income	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	7,362,590	7,615,098	69,401,364
Leasing Costs												
Tenant Improvements	1,100,760	930,212	895,864	210,232	253,933	1,008,290	962,530	1,138,804	636,010	468,434	709,394	8,314,464
Leasing Commissions	310,283	257,405	283,410	67,830	81,495	325,112	307,550	363,131	203,218	149,598	227,253	2,576,285
Total Leasing Costs	1,411,043	1,187,616	1,179,274	278,062	335,427	1,333,402	1,270,080	1,501,935	839,228	618,032	936,647	10,890,749
Capital Expenditures												
Capital Reserves	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529	1,396,452
Total Capital Expenditures	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529	1,396,452
Total Leasing & Capital Costs	1,520,074	1,299,919	1,294,945	397,204	458,143	1,459,800	1,400,270	1,636,030	977,346	760,293	1,083,176	12,287,201
Cash Flow Before Debt Service	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922	57,114,163
Cash Flow Available for Distribution	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922	57,114,163

INCOME CAPITALIZATION APPROACH

Analysis Period	Period Ending	Cash Flow Before Debt Service	P.V. of Cash Flow @ 7.25 %	P.V. of Cash Flow @ 7.75 %	P.V. of Cash Flow @ 8.25 %	P.V. of Cash Flow @ 8.75 %	P.V. of Cash Flow @ 9.25 %
Year 1	Dec-2018	3,198,061	2,981,875	2,968,038	2,954,329	2,940,746	2,927,287
Year 2	Dec-2019	4,284,883	3,725,155	3,690,663	3,656,648	3,623,101	3,590,013
Year 3	Dec-2020	4,317,597	3,499,856	3,451,360	3,403,756	3,357,023	3,311,142
Year 4	Dec-2021	5,706,921	4,313,329	4,233,823	4,156,140	4,080,231	4,006,047
Year 5	Dec-2022	5,877,032	4,141,633	4,046,427	3,953,835	3,863,774	3,776,164
Year 6	Dec-2023	4,879,039	3,205,904	3,117,674	3,032,263	2,949,570	2,869,496
Year 7	Dec-2024	4,856,426	2,975,333	2,880,022	2,788,184	2,699,678	2,614,368
Year 8	Dec-2025	4,850,861	2,771,025	2,669,812	2,572,738	2,479,618	2,390,272
Year 9	Dec-2026	6,009,124	3,200,630	3,069,415	2,944,151	2,824,540	2,710,305
Year 10	Dec-2027	6,602,296	3,278,854	3,129,841	2,988,243	2,853,661	2,725,716
Totals		50,582,241	34,093,595	33,257,075	32,450,288	31,671,942	30,920,810
Property Resale @ 7.75 % Cap Rate		97,276,741	48,309,885	46,114,364	44,028,102	42,045,193	40,160,079
Total Unleveraged Present Value			82,403,479	79,371,439	76,478,389	73,717,135	71,080,888

Reconciliation of Income Capitalization Approach

The Direct Capitalization Approach utilized the projected income and applied a capitalization rate of 7.00%. Within the Discounted Cash Flow Analysis, a 10-year holding period was utilized with an 11-year projection period. A discount rate of 8.25% and a terminal capitalization rate of 7.75% were indicated. The value conclusion of each of these methods is included in the following table. In the final analysis, the Discounted Cash Flow Analysis was given primary consideration. This is the method typically used by market participants, and which best accounts for the various cash flows over the holding period.

Income Capitalization Approach Summary	
Technique	As Is
Direct Capitalization	\$76,700,000
Discounted Cash Flow Analysis	\$76,500,000
Reconciled Value	\$76,500,000

RECONCILIATION AND FINAL VALUE CONCLUSIONS

Reconciliation

In the valuation of the subject, the Sales Comparison and Income Capitalization Approaches were utilized. Emphasis was given to each approach. The value indication via each approach is summarized in the following table.

Sales Comparison Approach	\$77,500,000
Income Capitalization Approach	\$76,500,000
Cost Approach	N / A

The Sale Price per Square Foot comparison, recognized and used by potential purchasers, was employed in this analysis. The sales included sales of similar buildings from throughout the local market. The Sales Comparison Approach is a good indicator of value, and serves as a good complement to the Income Capitalization Approach.

In the Income Capitalization Approach, the Direct Capitalization technique and Discounted Cash Flow Analysis were employed. The net operating income of the subject is derived based upon contract rent and the subject pro forma and market driven expense estimates. The capitalization rate was extracted from the sales data, and is well supported by the PwC investor survey and our broker survey. The overall rate is appropriate considering the risk and future expectation of this area. Due to the significant changes in revenue over the projection period, the Discounted Cash Flow was given primary consideration within this approach.

Based on the preceding analysis and conclusions, the Fair Market Value of the leased fee interest of the subject property "as is," as of December 31, 2017, subject to the extraordinary and general underlying assumptions and limiting conditions, was:

\$77,000,000

Extraordinary Assumption

- The subject property was originally inspected on August 14, 2017. A following inspection was not made. It is an extraordinary assumption of this appraisal that no significant physical changes have occurred which would significantly impact the value of the subject.

The use of an extraordinary assumption may have affected the assignment results.

Exposure Time

Per the Appraisal Standards Board (ASB) of the Appraisal Foundation, “reasonable marketing time” is an estimate of the amount of time it might take to sell a property interest at the estimated Fair Market Value during the period immediately after the effective date of the appraisal. It is not intended to be a prediction of a specific date of sale and, therefore, may be expressed as a range. Exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at Fair Market Value on the effective date of appraisal.

Based upon the sales presented herein, an exposure period of 12 months or less is considered reasonable.

GLOSSARY	A
CLIENT ENGAGEMENT LETTER	B
SUBJECT PICTURES	C
LEGAL DESCRIPTION	D
COMPARABLE IMPROVED SALES	E
COMPARABLE OFFICE RENTS	F
ARGUS INPUT ASSUMPTIONS AND SUPPORTING SCHEDULES	G
OPERATING STATEMENT	H
RENT ROLL	I
PROFESSIONAL QUALIFICATIONS	J

GLOSSARY

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.¹

Asset:

1. Any item, the rights to which may have economic value, including financial assets (cash or bonds), business interests, intangible assets (copyrights and trademarks), and physical assets (real estate and personal property).
2. In general business usage, something owned by a business and reflected in the owner's business sheet.

Asset: A resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.²

Capital Expenditure: Investments of cash (or the creation of liability) to acquire or improve an asset, e.g., land, buildings, building additions, site improvements, machinery, equipment; as distinguished from cash outflows for expense items that are normally considered part of the current period's operations.¹

Cash Equivalency: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.¹

Client:

1. The individual, group, or entity who engages a valuer to perform a service (USPAP)
2. The party or parties who engage, by employment or contract, an appraiser in a specific assignment. Comment: The client may be an individual, group, or entity, and may engage and communicate with the appraiser directly or through an agent (USPAP, 2016-17-ed).
3. Generally the party or parties ordering the appraisal report. It does not matter who pays for the work (CUSPAP, 2014-ed).¹

Condominium Ownership: A form of fee ownership of separate units or portions of multiunit buildings that provides for formal filing and recording of a divided interest in real property.³

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.¹

Credible:

1. Worthy of belief, supported by analysis of relevant information. Creditability is always measured in the context of intended use. (SVP)
2. Worthy of belief. Comment: Creditable assignment results require support, by relevant evidence and logic, to the degree necessary for the intended use. (USPAP, 2016-2017-ed.).¹

Deferred Maintenance: Needed repairs or replacement of items that should have taken place during the course of normal maintenance.¹

Disposition Value: The most probable price that a specified interest in real property should bring under the following conditions: 1) Consummation of a sale within a specific time, which is short than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration of the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Economic Life: The period over which improvements to real property contribute to property value.¹

Effective Date: 1) The date on which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. 2) In a lease document, the date upon which the lease goes into effect.¹

Effective Gross Income Multiplier (EGIM): The ratio between the sale price (or value) of a property and its effective gross income.¹

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions, the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.¹

Exposure Time: 1) The time a property remains on the market. 2) The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market (USPAP 2016-2017-ed).¹

Extraordinary Assumptions: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property, or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed).¹

Fair Market Value: In nontechnical usage, a term that is equivalent to the contemporary usage of market value.¹

Fair Share: That portion of total market supply accounted for by a subject property. For example, a 100-key hotel in 1,000-key market has a fair share of 10%.¹

Fair Value:

1. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (FASB)
2. The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties. (This does not apply to valuations for financial reporting.) (IVS).¹

Fair Value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.²

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.¹

Going-Concern Value: 1) 73. An established and operating business having an indefinite future life. 2) 74. An organization with an indefinite life that is sufficiently long that, over time, all currently incomplete transformations [transforming resources from one form to a different, more valuable form] will be completed.¹

Gross Building Area (GBA): 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. 2) Gross leasable area plus all common areas. 3) 16. For residential space, the total area of all floor levels measured from the exterior of the walls and including the super structure and substructure basement; typically does not include garage space.¹

Highest and Best Use: 1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS). 3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)¹

Hypothetical Condition: 1) 117. A condition that is presumed to be true when it is known to be false. (SVP). 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)¹

Income Capitalization Approach: Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.¹

Inspection: Personal observation of the exterior or interior of the real estate that is the subject of an assignment performed to identify the property characteristics that are relevant to the assignment, such as amenities, general physical condition, and functional utility. Note that this is not the inspection process performed by a licensed or certified building inspector.¹

Insurable Value: A type of value for insurance purposes.¹

Intangible Assets: 1) A nonmonetary asset that manifests itself by its economic properties. It does not have physical substance but grants rights and economic benefits to its owner. (IVS). 2) A nonphysical asset such as a franchise, trademark, patent, copyright, goodwill, equity, mineral right, security, and contract (as distinguished from physical assets) that grant rights and privileges, and have value for the owner. (ASA). 3) An identifiable nonmonetary asset without physical substance. An asset is a resource that is controlled by the entity as a result of past events (for ex-ample, purchase or self-creation) and from which future economic benefits (inflows of cash or other assets) are expected. [IAS 38.8] Thus, the three critical attributes of an intangible asset are: identifiability, control (power to obtain benefits from the asset), 'future economic benefits (such as revenues or reduced future costs). (IAS 38)¹

Intangible property: Nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment. (USPAP, 2016-2017 ed.)¹

Intended Use: 1) The valuer's intent as to how the re-port will be used. (SVP) 2) The use or uses of an appraiser's reported appraisal or appraisal review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment. (USPAP, 2016-2017 ed.)¹

Intended User: 1) The party or parties the valuer intends will use the report. (SVP) 2) The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2016-2017 ed.)¹

Internal Rate of Return ("IRR"): The annualized yield rate or rate of return on capital that is generated or capable of being generalized within an investment of portfolio over a period of ownership. Alternatively, the indicated return of capital associated with a projected or pro forma income stream. The discount rate that equates the present value of the net cash flows of a project with the present value of the capital investment. It is the rate at which the Net Present Value (NPV) equals zero. The IRR reflects both the return on invested capital and the return of the original investment, which are basic considerations of potential investors. Therefore, deriving the IRR from analysis of market transactions of similar properties having comparable income

patterns is a proper method for developing market discount rates for use in valuations to arrive at Market Value. Used in discounted cash flow analysis to find the implied or expected rate of return of the project, the IRR is the rate of return which gives a zero net present value (NPV). See also equity yield rate (YE); financial management rate of return (FMRR); modified internal rate of return (MIRR); yield rate (Y).¹

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. 2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (IVS)¹

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.¹

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.¹

Liquidation Value: The most probable price that a specified interest in real property should bring under the following conditions: 1) Consummation of a sale within a short time period; 2) The property is subjected to market conditions prevailing as of the date of valuation; 3) Both the buyer and seller are acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Load Factor: A measure of the relationship of common area to useable area and therefore the quality and efficiency of building area layout, with higher load factors indicating a higher percentage of common area to overall rentable space than lower load factors; calculated by subtracting the amount of usable area from the rentable area and then dividing the difference by the usable area:¹

$$\frac{(\text{Rentable Area} - \text{Useable Area})}{\text{Useable Area}}$$

Market Value. The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.*

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

2. Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. Comment: Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client's intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition to definition but generally fall into three categories:

- the relationship, knowledge, and motivation of the parties (i.e., seller and buyer);
- the terms of sale (e.g., cash, cash equivalent, or other terms); and
- the conditions of sale (e.g., expo- sure in a competitive market for a reasonable time prior to sale).

USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:

- Identifications of the specific property rights to be appraised.
- Statement of the effective date of the value opinion.
- Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
- If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above- or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.

3. The following definition of market

value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

Buyer and seller are typically motivated;

Both parties are well informed or well advised, and each acting in what they consider their own best interests;

A reasonable time is allowed for exposure in the open market;

Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

• The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (IVS)

5. The Uniform Standards for Federal Land Acquisitions defines market value as follows: Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Appraisal Standards for Federal Land Acquisitions)¹

Market Value "As If Complete" On The Appraisal Date:

Market value as if complete on the effective date of the appraisal is an estimate of the market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

Market Value "As Is" On The Appraisal Date: Value As Is -The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning. See also effective date; prospective value opinion.

Market Value of the Total Assets of the Business: The market value of the total assets of the business is the market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern. This assumes that the business is expected to continue operations well into the future.⁴

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property Market Value Opinions" address the determination of reasonable exposure and marketing time.)³

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also lease.¹

Net Rentable Area (NRA): 1) The area on which rent is computed. 2) The Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor.⁵

Penetration Ratio (Rate): The rate at which stores obtain sales from within a trade area or sector relative to the number of potential sales generated; usually applied to existing facilities. Also called: penetration factor.¹

Prospective opinion of value. A value opinion effective as of a specified future date. The term does not define a type of value. Instead it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.¹

Reconciliation: A phase of a valuation assignment in which two or more value indications are processed into a value opinion, which may be a range of value, a single point estimate, or a reference to a benchmark value.¹

Reliable Measurement: [The IAS/IFRS framework requires that] neither an asset nor a liability is recognized in the financial statements unless it has a cost or value that can be measured reliably.²

Remaining Economic Life: The estimated period over which existing improvements are expected to contribute economically to a property; an estimate of the number of years remaining in the economic life of a structure or structural components as of the effective date of the appraisal; used in the economic age-life method of estimating depreciation.¹

Replacement Cost: The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.¹

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."¹

Sales Comparison Approach: The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.¹

Scope of Work: 1) The type of data and the extent of research and analyses. (SVP). 2) The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2016–2017 ed.)¹

Stabilized value: A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value. It is also a value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a premium paid due to a temporary shortage of supply.

Substitution: The principle of substitution states that when several similar or commensurate commodities, goods, services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.³

Total Assets of a Business: Total assets of a business is defined by the Appraisal Institute as “the tangible property (real property and personal property, including inventory and furniture, fixtures and equipment) and intangible property (cash, workforce, contracts, name, patents, copyrights, and other residual intangible assets, to include capitalized economic profit).”

Use Value:

The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually.¹

¹Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute 2010). ²Appraisal Institute, *International Financial Reporting Standards for Real Property Appraiser, IFRS Website*, www.ifrs-ebooks.com/index.html. ³Appraisal Institute, *The Appraisal of Real Estate*, 13th ed. (Chicago: Appraisal Institute 2008). ⁴ This definition is taken from “Allocation of Business Assets Into Tangible and Intangible Components: A New Lexicon,” *Journal of Real Estate Appraisal*, January 2002, Volume LXX, Number 1. This terminology is to replace former phrases such as: value of the going concern. ⁵Financial Publishing Company, *The Real Estate Dictionary*, 7th ed. ⁶ U.S. Treasury Regulations

CLIENT ENGAGEMENT LETTER



Jim
1/8/2018

January 8, 2018

Mr. Jim Kasim
Hertz Investment Group, LLC
21860 Burbank Boulevard, Suite 300 South
Woodland Hills, CA 91367
jkasim@hertzgroup.com
818-965-7905

RE: Gateway Center 1-4, Pittsburg, PA
909 Poydras Street, New Orleans, LA
10 South Broadway, St. Louis, MO
333 Bridge Street, N.W., Grand Rapids, MI
Energy Center, 1100 Poydras Street, New Orleans, LA
Bank of America Tower, 50 North Laura Street, Jacksonville, FL

Dear Mr. Kasim:

We are pleased to submit this proposal and our terms and conditions for the appraisal of the referenced real estate.

PROPOSAL SPECIFICATIONS

Purpose/Valuation Premise:	Form opinion of the as is market value of each referenced property as of December 31, 2017.
Property Rights Appraised:	Leased fee interest
Intended Use:	Asset valuation
Intended User:	Hertz Investment Group and its related entities, successors, and/or assigns
Scope of Work/Report Type:	The appraisal will include any approach to value that is applicable and necessary to the assignment (two values at a minimum).
Appraisal Standards:	Uniform Standards of Professional Appraisal Practice (USPAP), Financial Institution Reform, Recovery, and Enforcement Act (FIRREA), and Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
Fee:	\$36,000 (fee assumes NO re-inspections will be done)

NEW YORK
+ CORPORATE OFFICE

P + 212.682.0400
F + 212.682.2233

112 MADISON AVENUE + FLOOR 11
NEW YORK, NY 10016

BBGRES.COM

Mr. Jim Kasim
Page 2
January 8, 2018

DM
1/8/2018

Payment Terms:

A retainer in the amount of one-half of our fee, or \$18,000, is due and payable upon acceptance of the terms of this letter. The balance is due upon delivery of the final reports or within 30 days of your receipt of our draft reports, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of our draft reports.

Report Copies:

PDF delivery of draft and/or final reports

Delivery Date:

Delivery of the appraisal conclusions and/or report(s) will be within 3 weeks of timely receipt of your written authorization to proceed, the retainer, and any necessary data.

Acceptance Date:

Date of execution

The attached General Assumptions and Limiting Conditions (Exhibit A) are deemed part of this agreement as though set forth in full herein.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

BBG, Inc.

Joel Leitner

Joel Leitner, MAI, CRE
Managing Director

AGREED AND ACCEPTED



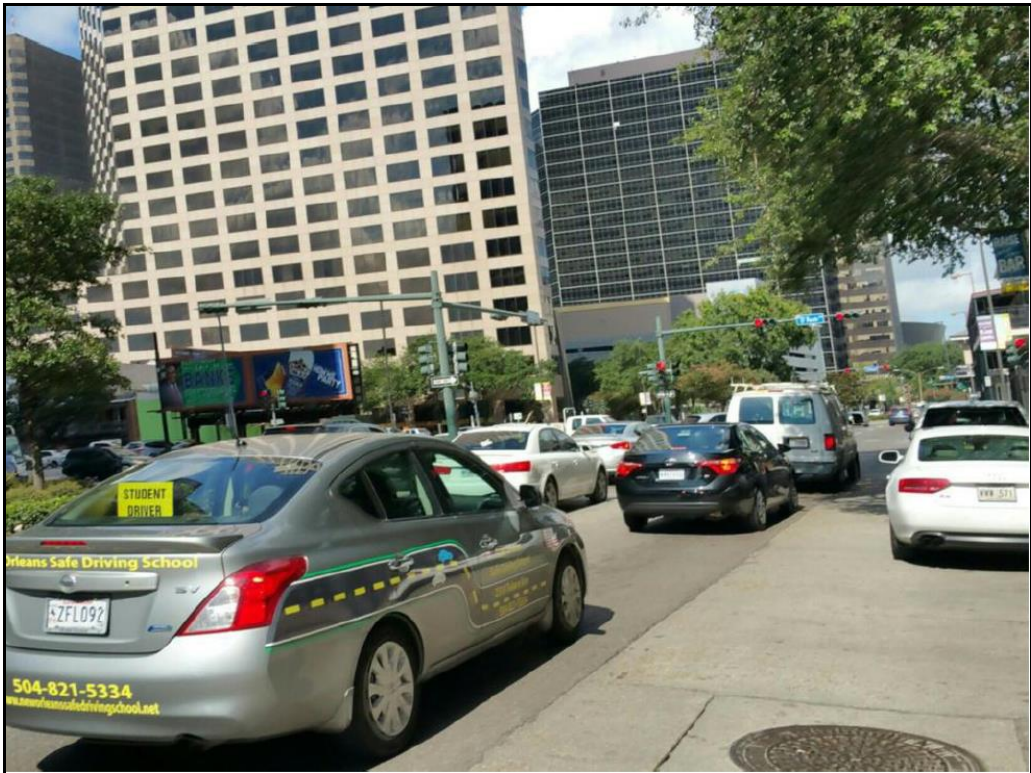
Jim Kasim
Hertz Investment Group

1/8/2018
Date

SUBJECT PICTURES



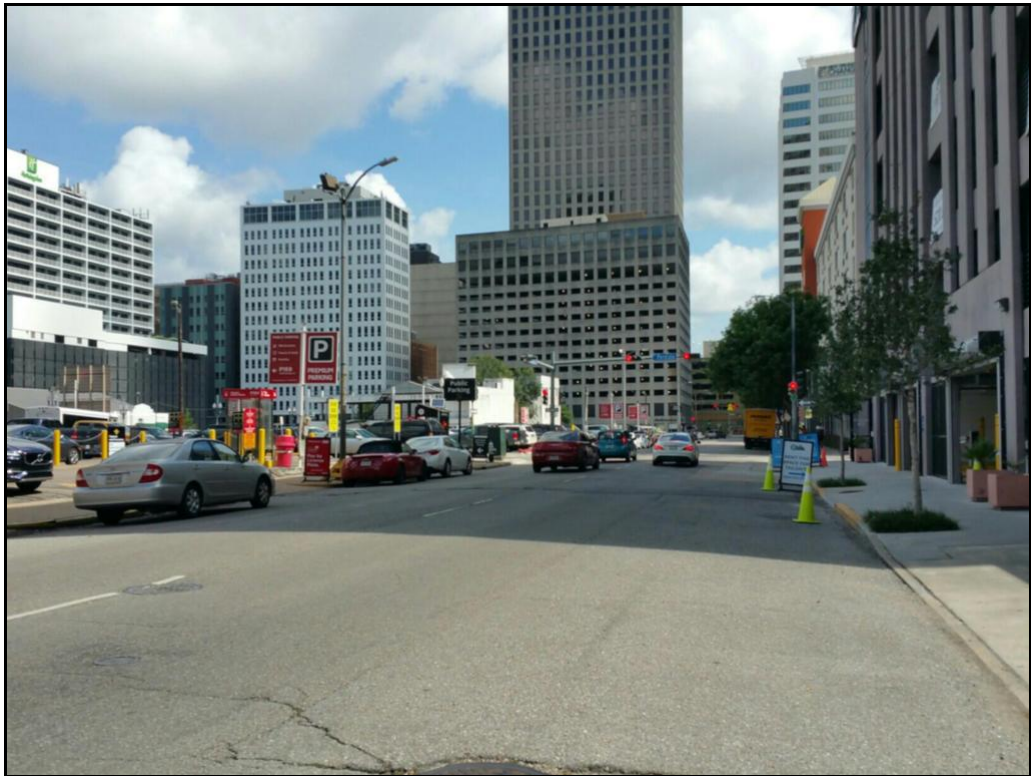
Poydras Street



Poydras Street



O'Keefe Avenue



O'Keefe Avenue



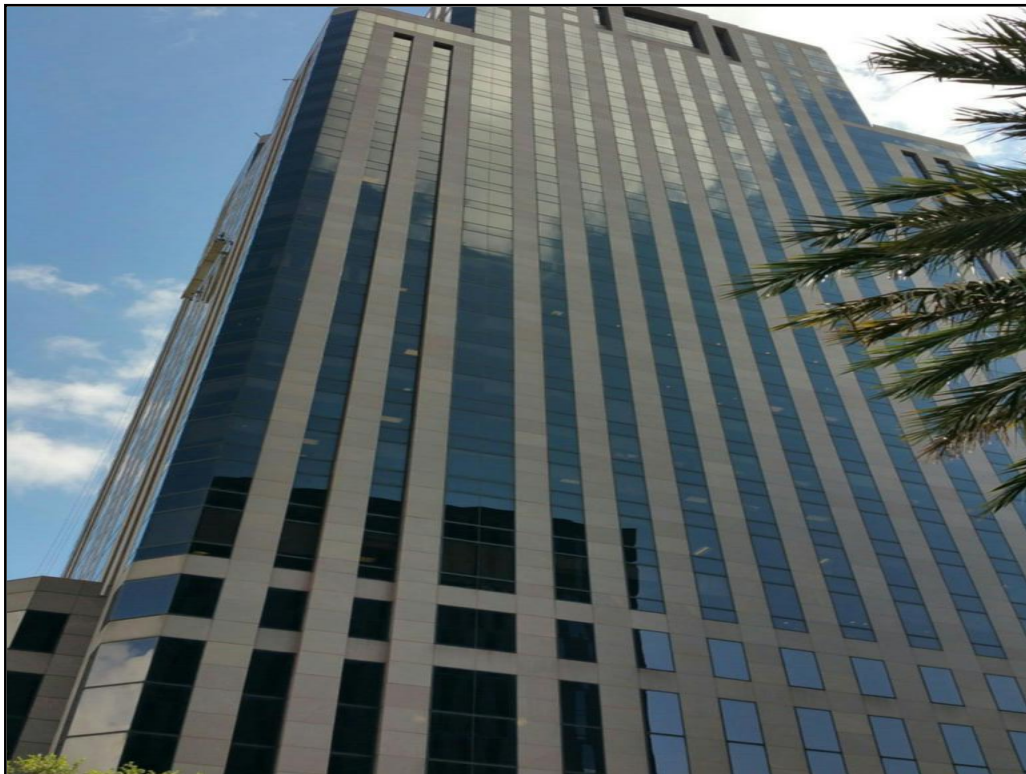
Penn Street



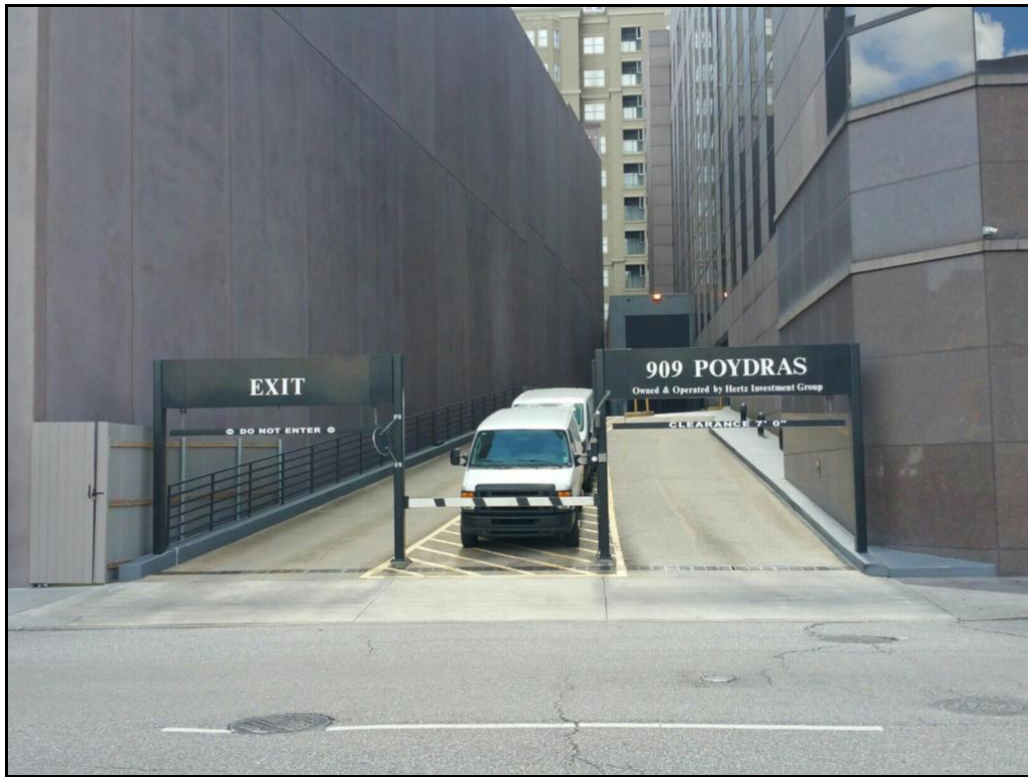
Penn Street



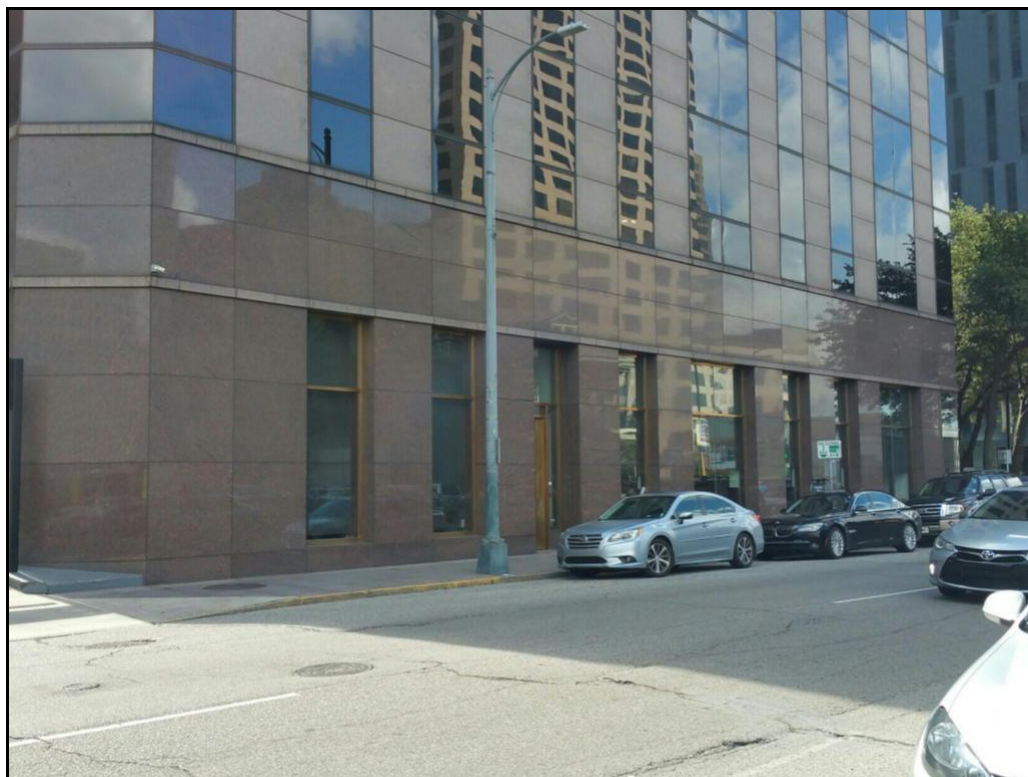
Exterior View



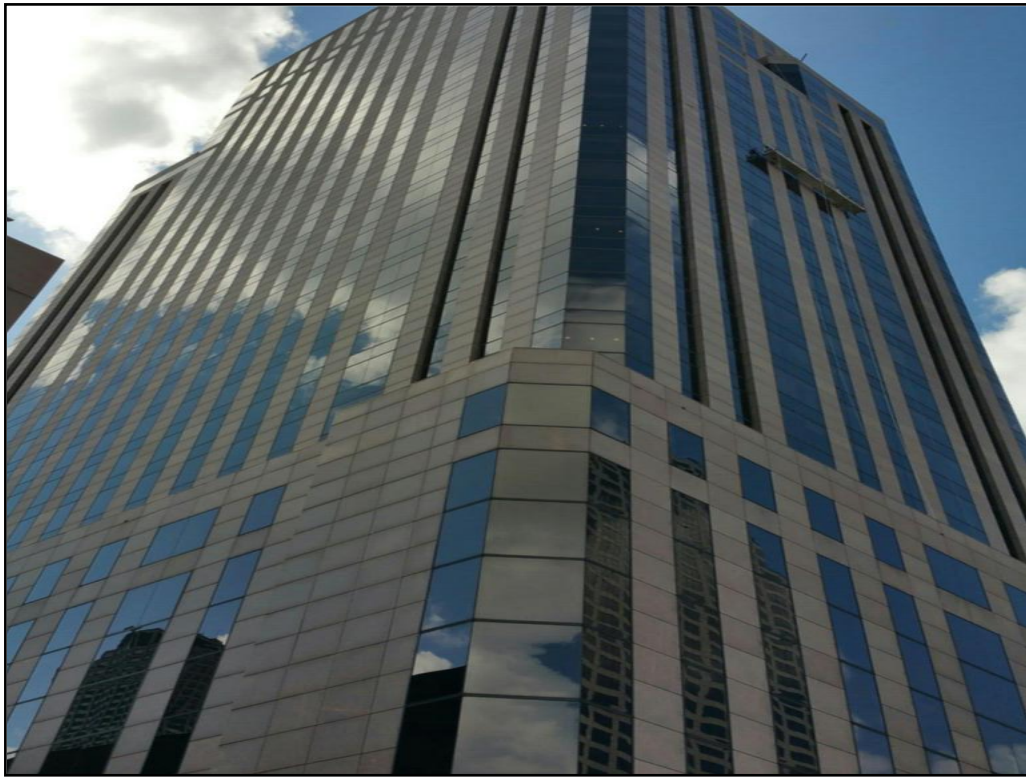
Exterior View



Entrance/Exit



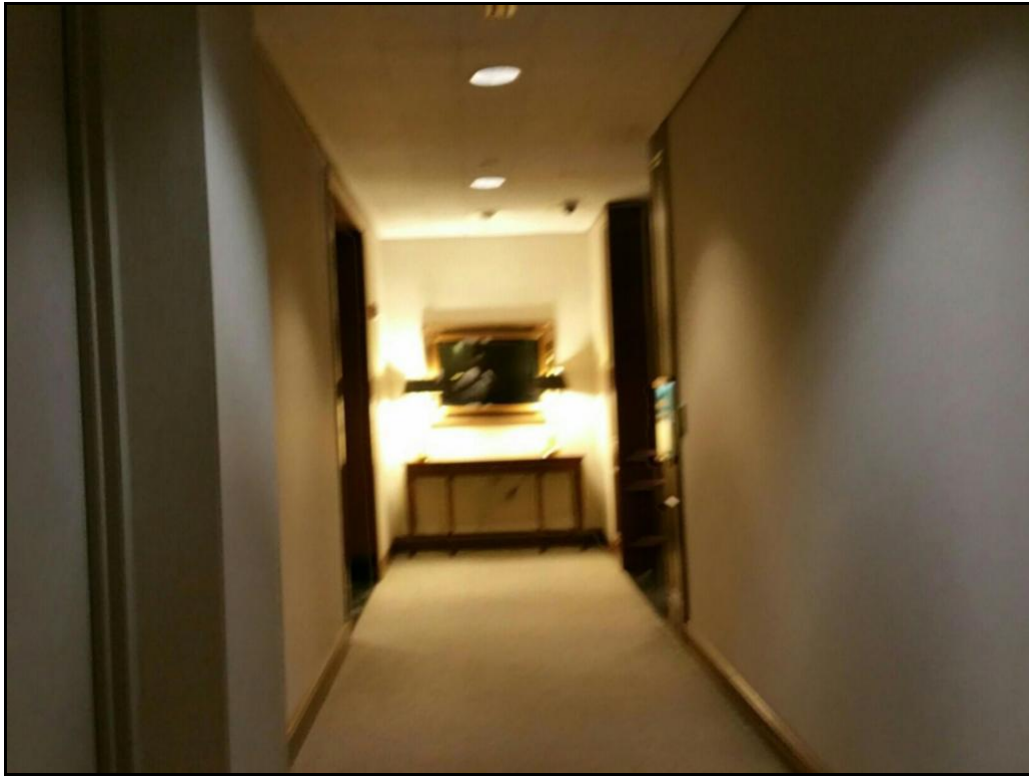
Exterior View



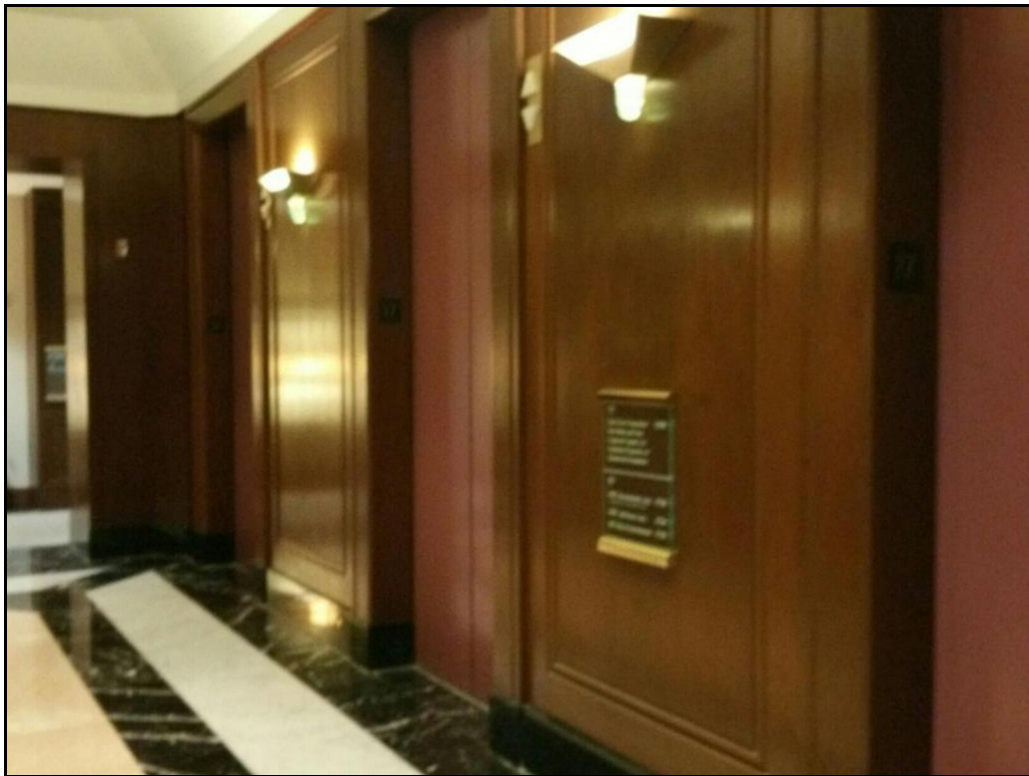
Exterior View



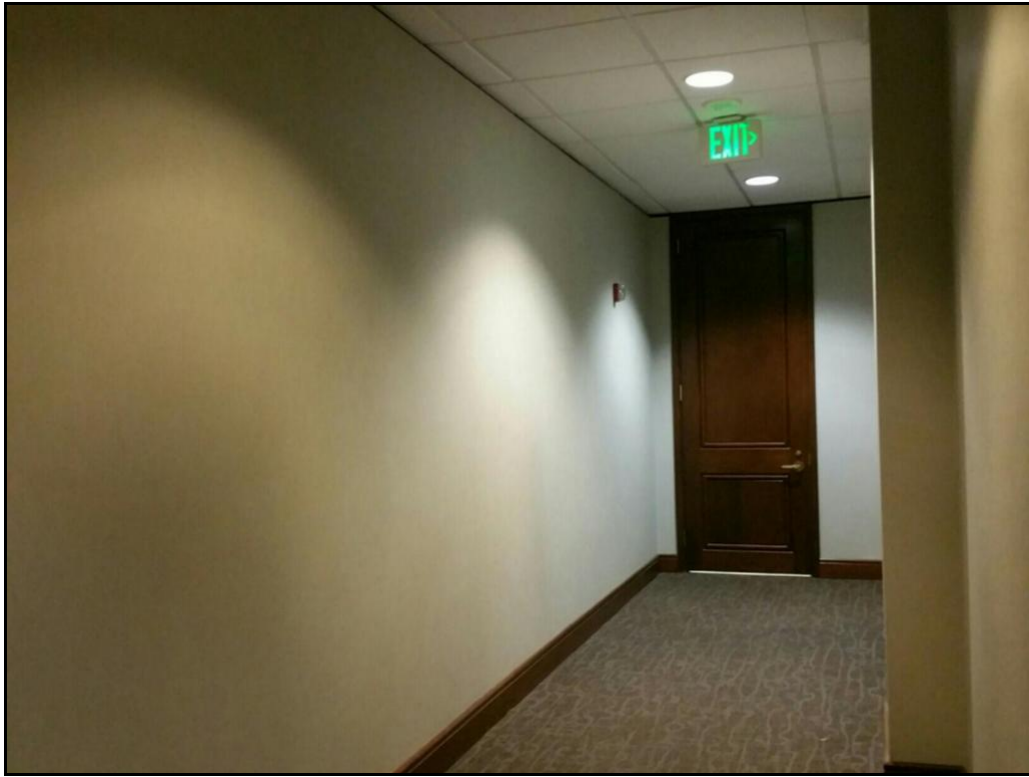
Interior View



Interior View



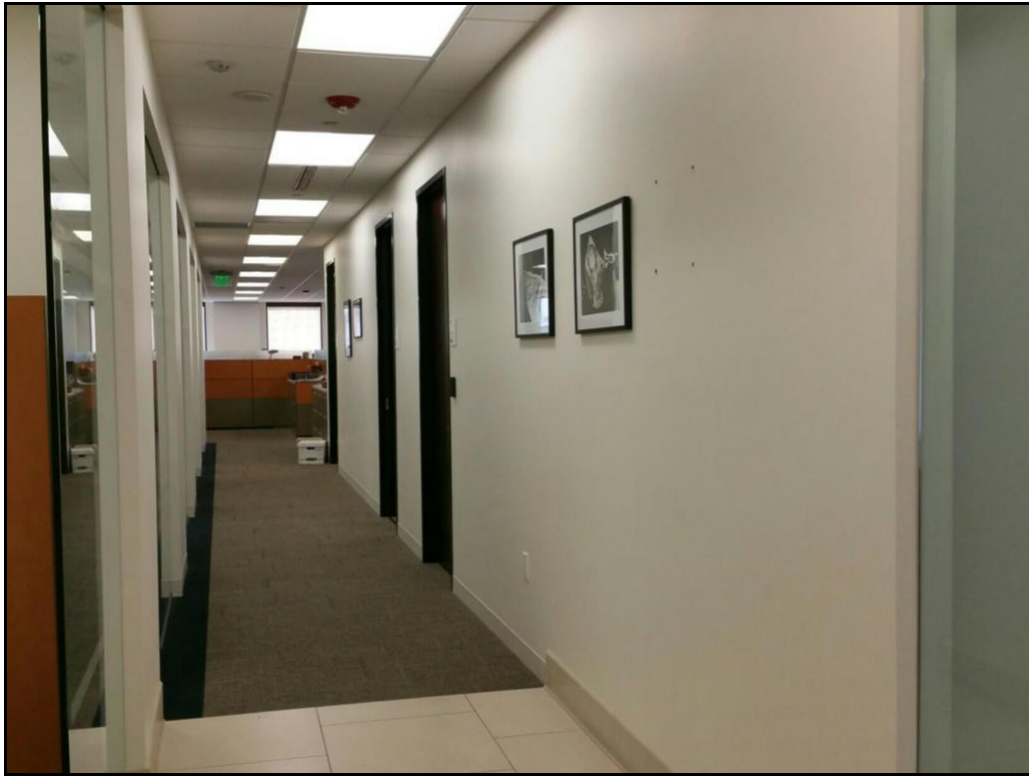
Interior View



Interior View



Interior View



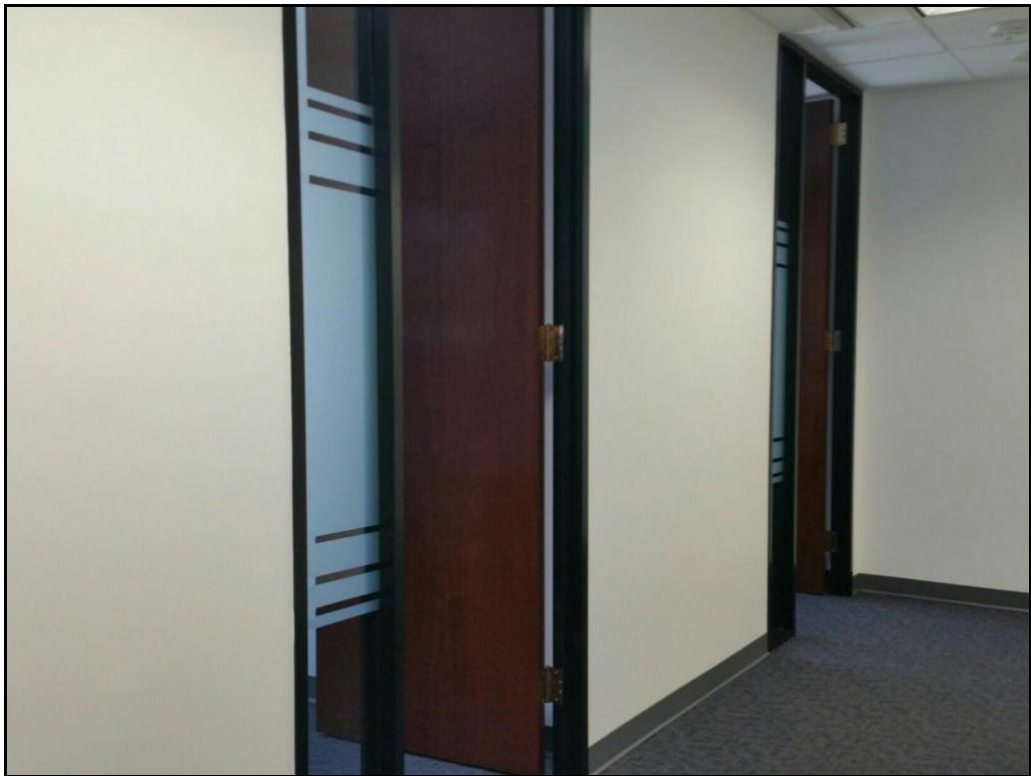
Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



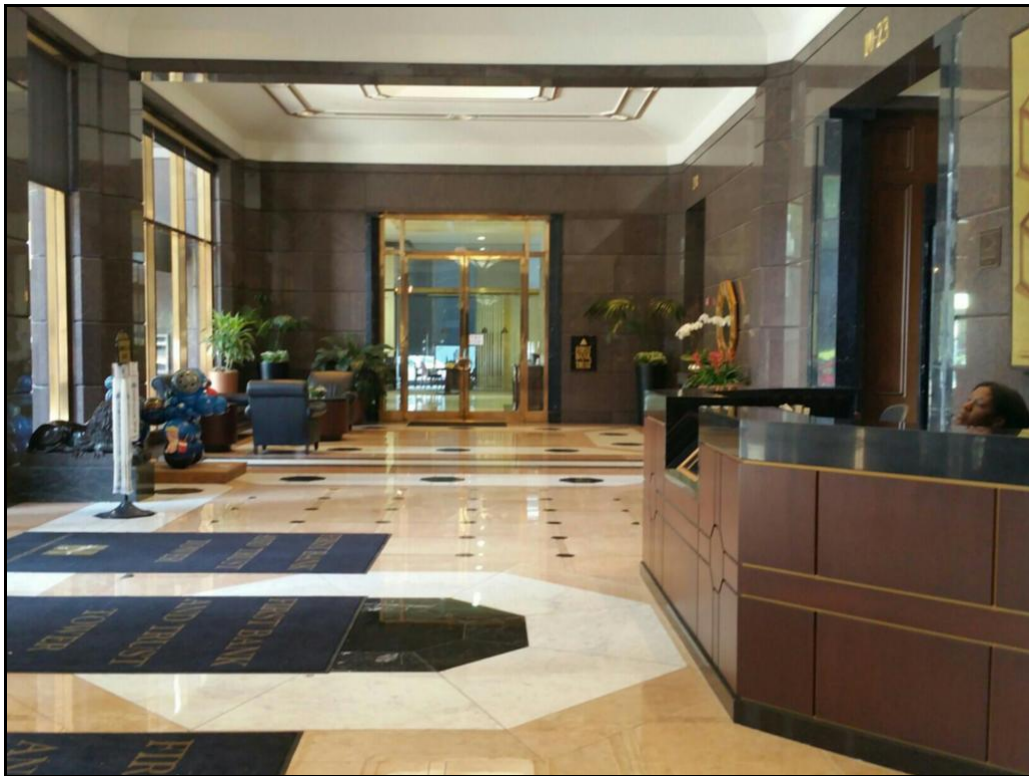
Interior View



Interior View



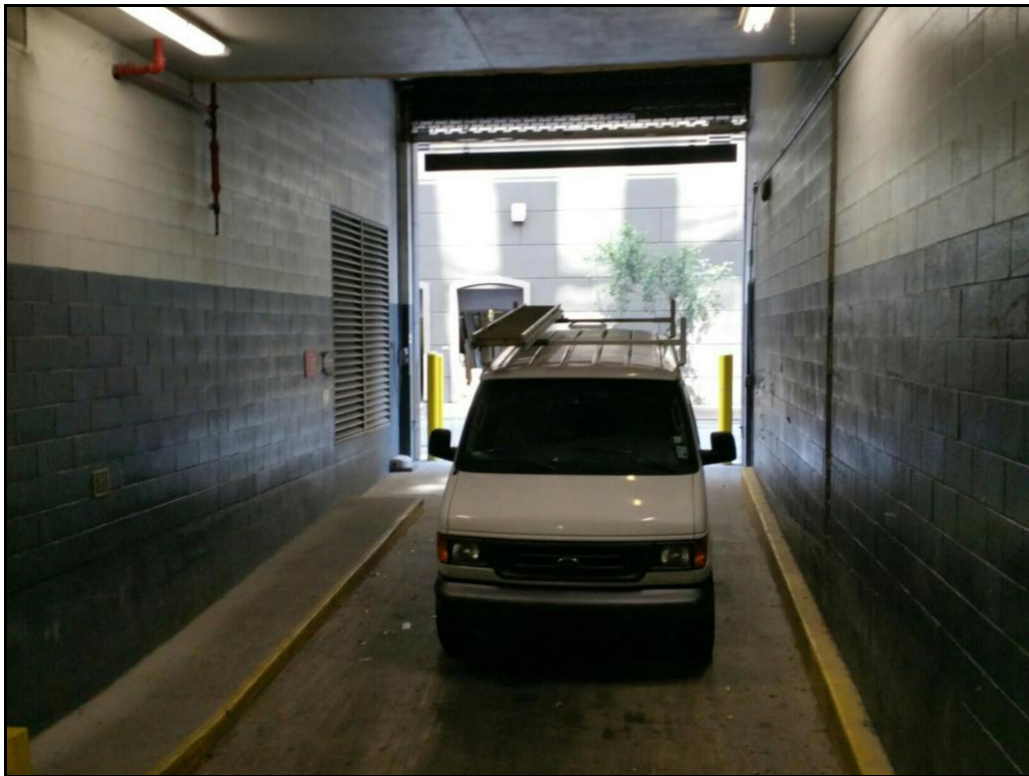
Interior View



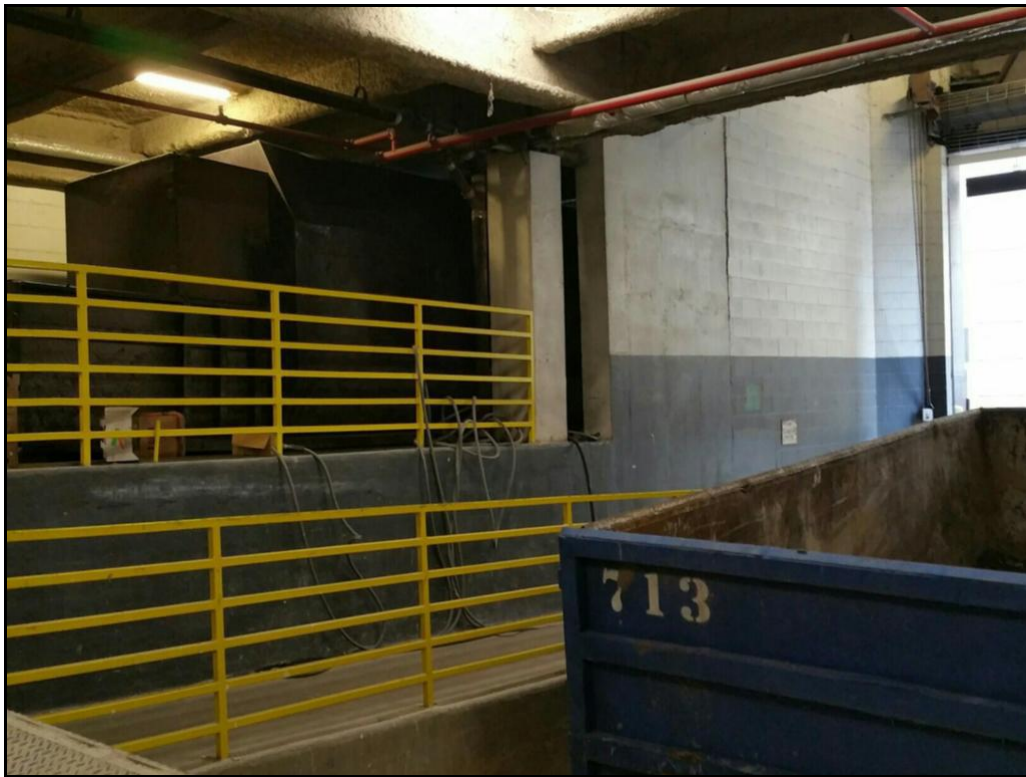
Interior View



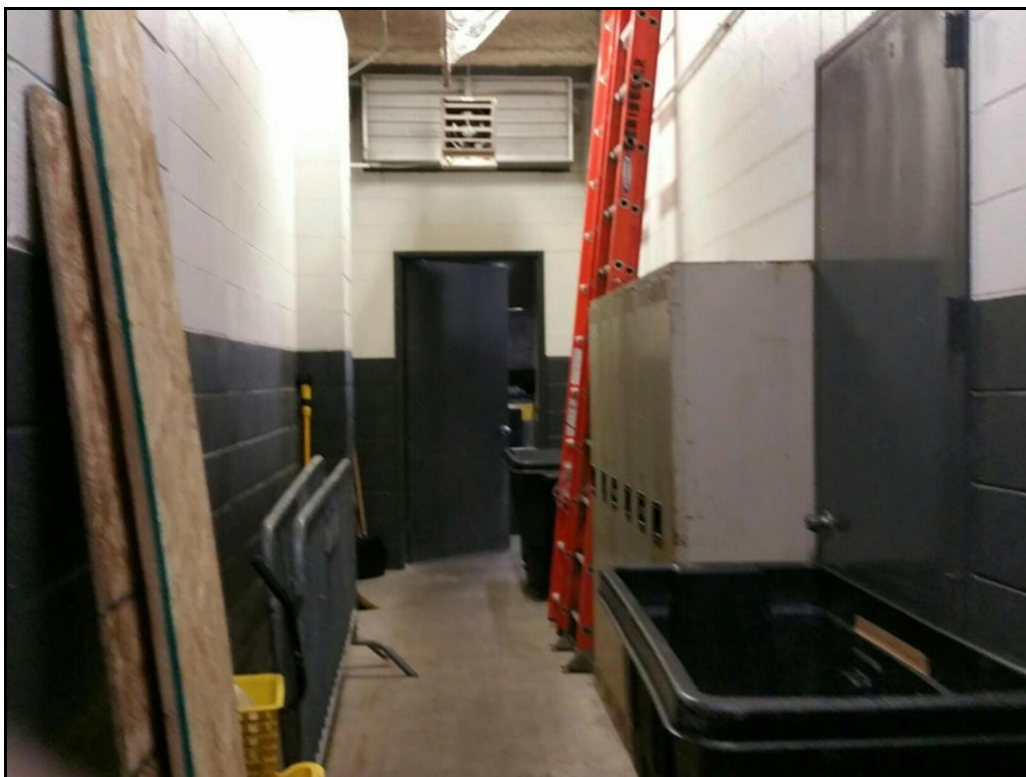
Interior View



Loading/Unloading



Loading/Unloading



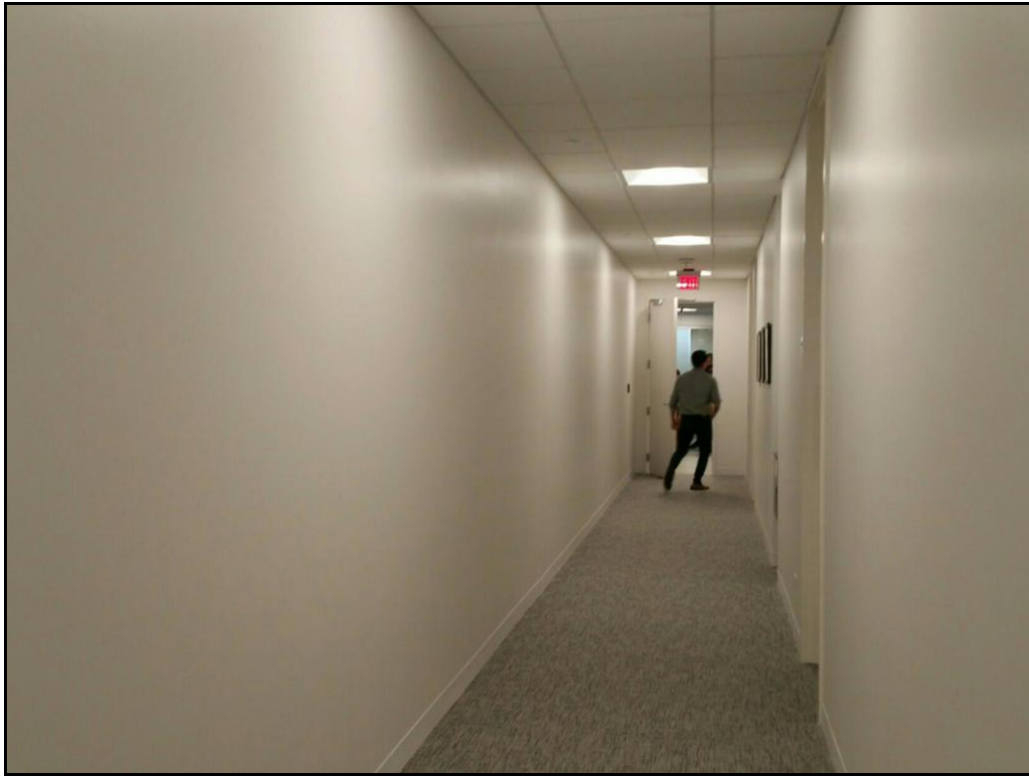
Interior View



Interior View



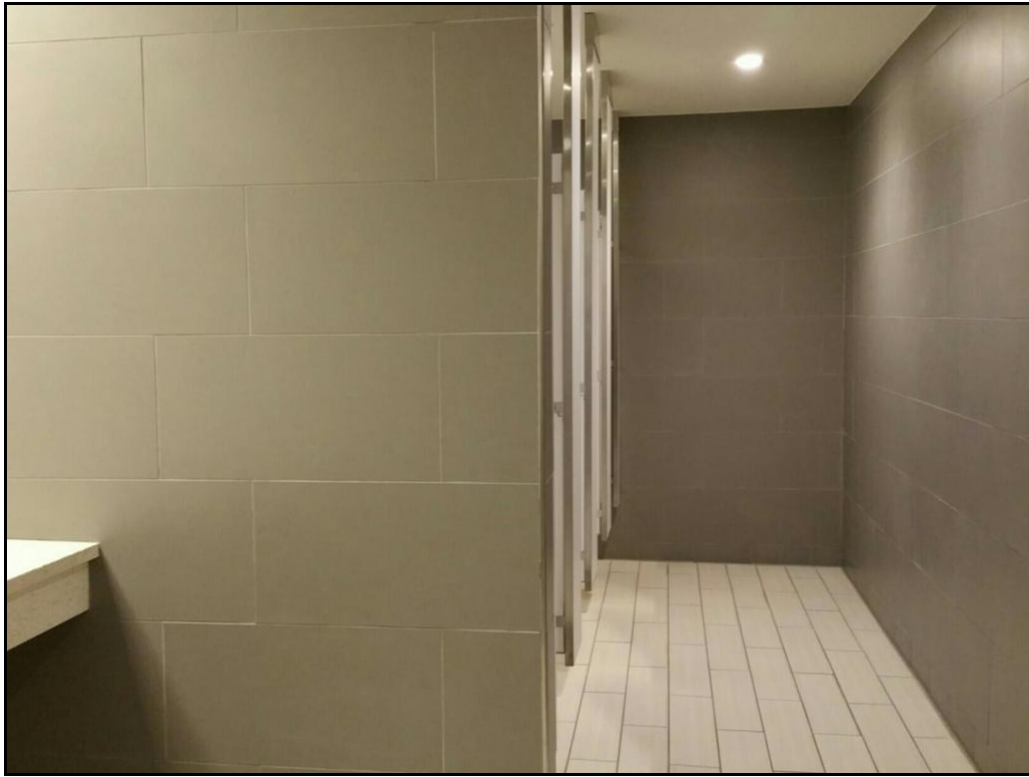
Interior View



Interior View



Interior View



Interior View



Interior View



Interior View

LEGAL DESCRIPTION

THAT TRACT OF LAND, situated in the FIRST MUNICIPAL DISTRICT, CITY OF NEW ORLEANS, in SQUARE 262, bounded by Poydras Street, O'Keefe Avenue (formerly Dryades Street), Perdido Street and Penn Street, designated as LOTS 1 THRU 22, N, 0, AND FORMER 10' COMMON ALLEY on the plan of survey described herein below and being more particularly described as follows:

Begin at the intersection of the easterly line of O'Keefe Avenue (formerly Dryades Street) and the northerly line of Poydras Street; thence towards Perdido Street along the easterly line of O'Keefe Avenue a distance of 195 feet, 1 inch, 4 eighths to the division line between Lot N and Lots X and Y; thence toward Penn Street along said division line which forms an interior angle with the previous line of 80 degrees, 12 minutes, 12 seconds, a distance of 140 feet, 9 inches, 7 eighths to the division line between Lot N and Lot 23; thence toward Poydras Street along said division line which forms an exterior angle with the previous line of 80 degrees, 18 minutes, 42 seconds, a distance of 4 feet, 10 inches; thence toward Penn Street along the division line between Lots 22 and 23 which forms an exterior angle with the previous line of 89 degrees, 52 minutes, 30 seconds, a distance of 72 feet, 6 inches, 6 eighths to the westerly line of Penn Street; thence toward Poydras Street along said line which forms an interior angle with the previous line of 90 degrees, a distance of 166 feet, 11 inches, 7 eighths, to the northerly line of Poydras Street; thence toward O'Keefe Avenue along said line which forms an interior angle with the previous line of 89 degrees, 48 minutes 40 seconds, a distance of 211 feet, 4 inches, 3 eighths to O'Keefe Avenue and the point of beginning.

COMPARABLE IMPROVED SALES

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **318064**
 Property Type: **Office Building**
 Property Use: **Mid Rise (4-8 Stories)**

PROPERTY LOCATION

Address: **2000 Southbridge Parkway**
 City, St., Zip: **Birmingham, AL 35209**
 County: **Jefferson**
 Tax Accounts: **28-00-0-720-011.100-01**

PROPERTY SIZE

	Gross	Net
Land Area:	9.50 Acres (413,820 SF)	9.50 Acres (413,820 SF)
Building Area:	225,156 SF	225,156 SF
Land/ Building Ratio:	1.84 : 1	

BUILDING ATTRIBUTES

Year of Construction: **1984**
 Year of Latest Remodel: **2000**

PROPERTY ATTRIBUTES

Site

Utilities: **All to site**
 Terrain: **Generally level**
 Easements: **None detrimental known**
 Road Frontage: **Southbridge Parkway**
 Floodplain: **X 01073C0556H 09/03/2010**

Improvements

Construction Details: **Masonry exterior with a flat roof.**
 Tenant Mix: **Multi**
 Parking Facilities: **Open surface**

SALE INFORMATION

Consideration:	\$28,000,000
Adjustments:	\$0
Cash Equivalent Price:	\$28,000,000
1st Mortgage:	\$0
2nd Mortgage:	\$0
Equity:	\$0
Sales Price (\$/SF):	\$124.36

Grantor: Southbridge Property Owner, LLC
 Grantee: MYP Southbridge LLC
 Date of Sale: 04-03-17
 Sale Status: Closed
 Record info: Doc 33445

SALE ATTRIBUTES

Occupancy At Sale: 85%
 Terms of Sale: Arm's Length
 Init. Marketing Date: Unknown

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$2,178,400	\$9.68	\$0
Debt Service			
Cash Flow	\$2,178,400	\$9.68	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	7.78%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: 11/2/2017
 Verified By: Kevin Markwordt, Public Records, CoStar
 Comments: The property was sold at 85% occupancy at sale, but fell to 78% occupancy shortly after the sale. The property was in average to good condition at the time of sale. The property was purchased as an investment. The buyer intends to update the HVAC system and bathrooms after purchase. The average rental space for this building is \$23/SF on a full service basis.

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553215**
 Property Type: **Office Building**
 Property Use: **Multi Tenant Low Rise (1-3 Stories)**

PROPERTY LOCATION

Address: **4155 Clay Street**
 City, St., Zip: **Vicksburg, MS 39183**
 County: **Warren**
 Tax Accounts: **0957-22-0120-0003**

PROPERTY SIZE

Gross

Net

Land Area: **17.17 Acres (747,925 SF)**

17.17 Acres (747,925 SF)

Building Area: **199,257 SF**

199,257 SF

Land/ Building Ratio: **3.75 : 1**# of Stories: **2**

BUILDING ATTRIBUTES

Year of Construction: **1996**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**Terrain: **Generally level**Easements: **None Detrimental Known**Floodplain: **X 28149C0302E 07/16/2013**

Improvements

Construction Date: **1996**Construction Details: **Masonry**Tenant Mix: **Multiple**

SALE INFORMATION

Consideration:	\$37,000,000	Grantor: Pfingsten 111 LLC
Adjustments:	\$0	Grantee: GPT Vicksburg MS Inc
Cash Equivalent Price:	\$37,000,000	Date of Sale: 11-29-16
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info:
Equity:	\$0	
Sales Price (\$/SF):	\$185.69	

SALE ATTRIBUTES

Occupancy At Sale: 100%

Terms of Sale: Cash to Seller

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$2,560,400	\$12.85	\$0
Debt Service			
Cash Flow	\$2,560,400	\$12.85	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	6.92%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: 8/18/2017

Verified By: Travis Trautvetter/8585585609/BSC

Comments: This property sold 11/29/2016 for a consideration of \$37,000,000 or \$185.69/SF at a 6.92% cap rate.

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553218**
 Property Type: **Office Building**
 Property Use: **Mid Rise (4-8 Stories)**

PROPERTY LOCATION

Address: **569 Brookwood Village**
 City, St., Zip: **Homewood, AL 35209**
 County: **Jefferson**
 Tax Accounts: **28-00-17-2-020-001.001**

PROPERTY SIZE

	Gross	Net
Land Area:	5.08 Acres (221,285 SF)	5.08 Acres (221,285 SF)
Building Area:	169,500 SF	169,500 SF
Land/ Building Ratio:	1.31 : 1	

BUILDING ATTRIBUTES

Year of Construction: **2007**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally level**
 Easements: **None Detrimental Known**
 Floodplain: **X 01073C0559H 09/02/2010**

Improvements

Construction Date: **2007**
 Construction Details: **Masonry**
 Tenant Mix: **Multiple**

SALE INFORMATION

Consideration:	\$49,875,000	Grantor: CAPREF Brookwood Office LLC
Adjustments:	\$0	Grantee: PAC Brookwood Center LLC
Cash Equivalent Price:	\$49,875,000	Date of Sale: 08-29-16
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info: 91204
Equity:	\$0	
Sales Price (\$/SF):	\$294.25	

SALE ATTRIBUTES

Occupancy At Sale: **99%**
Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$3,391,500	\$20.01	\$0
Debt Service			
Cash Flow	\$3,391,500	\$20.01	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	6.80%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/18/2017**
Verified By: **Eastdil Secured/4044871100/BSC**
Comments: **This property sold for a consideration of \$49,875,000 or \$294.25/SF at a cap rate of 6.80%.**

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553073**
 Property Type: **Office Building**
 Property Use: **Hi Rise (9+ Stories)**

PROPERTY LOCATION

Address: **701 Poydras Street**
 City, St., Zip: **New Orleans, LA 70139**
 County: **Orleans Parish**
 Tax Accounts: **1-04-1-013-24, 1-04-1-013-25**

PROPERTY SIZE

Gross

Net

Land Area: **2.99 Acres (130,244 SF)****2.99 Acres (130,244 SF)**Building Area: **1,249,500 SF****1,249,500 SF**Land/ Building Ratio: **0.10 : 1**# of Stories: **51**

BUILDING ATTRIBUTES

Year of Construction: **1972**

Year of Latest **2015**
 Remodel:

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally Level**
 Easements: **None Detrimental Known**
 Floodplain: **X 22071C0229F 09/30/2016**

Improvements

Construction Date: **1972/2015**
 Tenant Mix: **Multiple**
 Construction Details: **Steel, Masonry**

SALE INFORMATION

Consideration:	\$173,055,750	Grantor: Equity Commonwealth
Adjustments:	\$0	Grantee: Hertz Investment Group
Cash Equivalent Price:	\$173,055,750	Date of Sale: 06-05-15
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info: NA
Equity:	\$0	
Sales Price (\$/SF):	\$138.50	

SALE ATTRIBUTES

Occupancy At Sale: **94%**
Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$12,633,070	\$10.11	\$0
Debt Service			
Cash Flow	\$12,633,070	\$10.11	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	7.30%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/17/2017**
Verified By: **Confidential Source/BSC**
Comments: **This property sold 6/5/2015 for a consideration of 4173,055,750 or \$138.50/SF and at a cap rate of 7.30%.**

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553075**
 Property Type: **Office Building**
 Property Use: **Hi Rise (9+ Stories)**

PROPERTY LOCATION

Address: **3900 North Causeway Boulevard**
 City, St., Zip: **Metairie, LA 70002**
 County: **Jefferson Parish**
 Tax Accounts: **08202026855**

PROPERTY SIZE

Gross

Net

Land Area: **8.21 Acres (357,628 SF)****8.21 Acres (357,628 SF)**Building Area: **1,221,870 SF****1,221,870 SF**Land/ Building Ratio: **0.29 : 1**

BUILDING ATTRIBUTES

Year of Construction: **1984**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally level**
 Easements: **None Detrimental Known**
 Floodplain: **X 22051C0045E 03/23/1995**

Improvements

Construction Date: **1984**
 Parking Facilities: **868 Total Spaces, 868 Open, SF/Parking Space: 1408, ParkingRatio: 1.41**
 Tenant Mix: **Multiple**
 Construction Details: **Steel**

SALE INFORMATION

Consideration:	\$145,000,000	Grantor: Equity Office Management LLC
Adjustments:	\$0	Grantee: The Feil Organization
Cash Equivalent Price:	\$145,000,000	Date of Sale: 06-12-13
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info: 3315/802
Equity:	\$0	
Sales Price (\$/SF):	\$118.67	

SALE ATTRIBUTES

Occupancy At Sale: **89%**
Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$13,340,000	\$10.92	\$0
Debt Service			
Cash Flow	\$13,340,000	\$10.92	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	9.20%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/17/2017**
Verified By: **Confidential Source/BSC**
Comments: **This property sold 6/12/2013 for a consideration of \$145,000,000 or \$118.67/SF and a cap rate of 9.2%**

COMPARABLE OFFICE RENTS

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **318064**
 Property Type: **Office Building**
 Property Use: **Mid Rise (4-8 Stories)**

PROPERTY LOCATION

Address: **2000 Southbridge Parkway**
 City, St., Zip: **Birmingham, AL 35209**
 County: **Jefferson**
 Tax Accounts: **28-00-0-720-011.100-01**

PROPERTY SIZE

	Gross	Net
Land Area:	9.50 Acres (413,820 SF)	9.50 Acres (413,820 SF)
Building Area:	225,156 SF	225,156 SF
Land/ Building Ratio:	1.84 : 1	

BUILDING ATTRIBUTES

Year of Construction: **1984**
 Year of Latest Remodel: **2000**

PROPERTY ATTRIBUTES

Site

Utilities: **All to site**
 Terrain: **Generally level**
 Easements: **None detrimental known**
 Road Frontage: **Southbridge Parkway**
 Floodplain: **X 01073C0556H 09/03/2010**

Improvements

Construction Details: **Masonry exterior with a flat roof.**
 Tenant Mix: **Multi**
 Parking Facilities: **Open surface**

SALE INFORMATION

Consideration:	\$28,000,000
Adjustments:	\$0
Cash Equivalent Price:	\$28,000,000
1st Mortgage:	\$0
2nd Mortgage:	\$0
Equity:	\$0
Sales Price (\$/SF):	\$124.36

Grantor: Southbridge Property Owner, LLC
 Grantee: MYP Southbridge LLC
 Date of Sale: 04-03-17
 Sale Status: Closed
 Record info: Doc 33445

SALE ATTRIBUTES

Occupancy At Sale: 85%
 Terms of Sale: Arm's Length
 Init. Marketing Date: Unknown

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$2,178,400	\$9.68	\$0
Debt Service			
Cash Flow	\$2,178,400	\$9.68	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	7.78%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: 11/2/2017
 Verified By: Kevin Markwordt, Public Records, CoStar
 Comments: The property was sold at 85% occupancy at sale, but fell to 78% occupancy shortly after the sale. The property was in average to good condition at the time of sale. The property was purchased as an investment. The buyer intends to update the HVAC system and bathrooms after purchase. The average rental space for this building is \$23/SF on a full service basis.

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553215**
 Property Type: **Office Building**
 Property Use: **Multi Tenant Low Rise (1-3 Stories)**

PROPERTY LOCATION

Address: **4155 Clay Street**
 City, St., Zip: **Vicksburg, MS 39183**
 County: **Warren**
 Tax Accounts: **0957-22-0120-0003**

PROPERTY SIZE

Gross

Net

Land Area: **17.17 Acres (747,925 SF)**

17.17 Acres (747,925 SF)

Building Area: **199,257 SF**

199,257 SF

Land/ Building Ratio: **3.75 : 1**# of Stories: **2**

BUILDING ATTRIBUTES

Year of Construction: **1996**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**Terrain: **Generally level**Easements: **None Detrimental Known**Floodplain: **X 28149C0302E 07/16/2013**

Improvements

Construction Date: **1996**Construction Details: **Masonry**Tenant Mix: **Multiple**

SALE INFORMATION

Consideration:	\$37,000,000	Grantor: Pfingsten 111 LLC
Adjustments:	\$0	Grantee: GPT Vicksburg MS Inc
Cash Equivalent Price:	\$37,000,000	Date of Sale: 11-29-16
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info:
Equity:	\$0	
Sales Price (\$/SF):	\$185.69	

SALE ATTRIBUTES

Occupancy At Sale: 100%

Terms of Sale: Cash to Seller

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$2,560,400	\$12.85	\$0
Debt Service			
Cash Flow	\$2,560,400	\$12.85	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	6.92%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: 8/18/2017

Verified By: Travis Trautvetter/8585585609/BSC

Comments: This property sold 11/29/2016 for a consideration of \$37,000,000 or \$185.69/SF at a 6.92% cap rate.

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553218**
 Property Type: **Office Building**
 Property Use: **Mid Rise (4-8 Stories)**

PROPERTY LOCATION

Address: **569 Brookwood Village**
 City, St., Zip: **Homewood, AL 35209**
 County: **Jefferson**
 Tax Accounts: **28-00-17-2-020-001.001**

PROPERTY SIZE

	Gross	Net
Land Area:	5.08 Acres (221,285 SF)	5.08 Acres (221,285 SF)
Building Area:	169,500 SF	169,500 SF
Land/ Building Ratio:	1.31 : 1	

BUILDING ATTRIBUTES

Year of Construction: **2007**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally level**
 Easements: **None Detrimental Known**
 Floodplain: **X 01073C0559H 09/02/2010**

Improvements

Construction Date: **2007**
 Construction Details: **Masonry**
 Tenant Mix: **Multiple**

SALE INFORMATION

Consideration: **\$49,875,000**
 Adjustments: **\$0**
 Cash Equivalent Price: **\$49,875,000**
 1st Mortgage: **\$0**
 2nd Mortgage: **\$0**
 Equity: **\$0**
 Sales Price (\$/SF): **\$294.25**

Grantor: CAPREF Brookwood Office LLC
 Grantee: PAC Brookwood Center LLC
 Date of Sale: 08-29-16
 Sale Status: Closed
 Record info: 91204

SALE ATTRIBUTES

Occupancy At Sale: **99%**
 Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$3,391,500	\$20.01	\$0
Debt Service			
Cash Flow	\$3,391,500	\$20.01	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	6.80%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/18/2017**
 Verified By: **Eastdil Secured/4044871100/BSC**
 Comments: **This property sold for a consideration of \$49,875,000 or \$294.25/SF at a cap rate of 6.80%.**

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553073**
 Property Type: **Office Building**
 Property Use: **Hi Rise (9+ Stories)**

PROPERTY LOCATION

Address: **701 Poydras Street**
 City, St., Zip: **New Orleans, LA 70139**
 County: **Orleans Parish**
 Tax Accounts: **1-04-1-013-24, 1-04-1-013-25**

PROPERTY SIZE

Gross

Net

Land Area: **2.99 Acres (130,244 SF)****2.99 Acres (130,244 SF)**Building Area: **1,249,500 SF****1,249,500 SF**Land/ Building Ratio: **0.10 : 1**# of Stories: **51**

BUILDING ATTRIBUTES

Year of Construction: **1972**

Year of Latest **2015**
 Remodel:

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally Level**
 Easements: **None Detrimental Known**
 Floodplain: **X 22071C0229F 09/30/2016**

Improvements

Construction Date: **1972/2015**
 Tenant Mix: **Multiple**
 Construction Details: **Steel, Masonry**

SALE INFORMATION

Consideration:	\$173,055,750	Grantor: Equity Commonwealth
Adjustments:	\$0	Grantee: Hertz Investment Group
Cash Equivalent Price:	\$173,055,750	Date of Sale: 06-05-15
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info: NA
Equity:	\$0	
Sales Price (\$/SF):	\$138.50	

SALE ATTRIBUTES

Occupancy At Sale: **94%**
Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$12,633,070	\$10.11	\$0
Debt Service			
Cash Flow	\$12,633,070	\$10.11	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	7.30%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/17/2017**
Verified By: **Confidential Source/BSC**
Comments: **This property sold 6/5/2015 for a consideration of 4173,055,750 or \$138.50/SF and at a cap rate of 7.30%.**

PROPERTY INFORMATION



PROPERTY TYPE

Property #: **553075**
 Property Type: **Office Building**
 Property Use: **Hi Rise (9+ Stories)**

PROPERTY LOCATION

Address: **3900 North Causeway Boulevard**
 City, St., Zip: **Metairie, LA 70002**
 County: **Jefferson Parish**
 Tax Accounts: **08202026855**

PROPERTY SIZE

Gross

Net

Land Area: **8.21 Acres (357,628 SF)****8.21 Acres (357,628 SF)**Building Area: **1,221,870 SF****1,221,870 SF**Land/ Building Ratio: **0.29 : 1**

BUILDING ATTRIBUTES

Year of Construction: **1984**

PROPERTY ATTRIBUTES

Site

Utilities: **All to Site**
 Terrain: **Generally level**
 Easements: **None Detrimental Known**
 Floodplain: **X 22051C0045E 03/23/1995**

Improvements

Construction Date: **1984**
 Parking Facilities: **868 Total Spaces, 868 Open, SF/Parking Space: 1408, ParkingRatio: 1.41**
 Tenant Mix: **Multiple**
 Construction Details: **Steel**

SALE INFORMATION

Consideration:	\$145,000,000	Grantor: Equity Office Management LLC
Adjustments:	\$0	Grantee: The Feil Organization
Cash Equivalent Price:	\$145,000,000	Date of Sale: 06-12-13
1st Mortgage:	\$0	Sale Status: Closed
2nd Mortgage:	\$0	Record info: 3315/802
Equity:	\$0	
Sales Price (\$/SF):	\$118.67	

SALE ATTRIBUTES

Occupancy At Sale: **89%**
Terms of Sale: **Cash to Seller**

SALE INCOME SUMMARY - ACTUAL

	Total	\$/SF	\$/Unit
Gross Rental Income	\$0	\$0.00	\$0
Other Income	\$0	\$0.00	\$0
Gross Annual Income	\$0	\$0.00	\$0
Vacancy Expense	\$0	\$0.00	\$0
Effective Gross Income	\$0	\$0.00	\$0
Expenses	\$0	\$0.00	\$0
Reserves	\$0	\$0.00	\$0
Net Operating Income	\$13,340,000	\$10.92	\$0
Debt Service			
Cash Flow	\$13,340,000	\$10.92	\$0

Indicators	
Effective Gross Income Multiplier	0.00
Gross Income Multiplier	0.00
Overall Rate	9.20%
Equity Dividend Rate	0%
Operating Expense Ratio	0.00%

SALE TRANSACTION INFORMATION

Verified On: **8/17/2017**
Verified By: **Confidential Source/BSC**
Comments: **This property sold 6/12/2013 for a consideration of \$145,000,000 or \$118.67/SF and a cap rate of 9.2%**

ARGUS INPUT ASSUMPTIONS AND SUPPORTING SCHEDULES

2/22/2018 3:08:35 PM

Market Leasing Profiles

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Assumptions Report

Year 8 <u>Dec-2025</u>	Year 9 <u>Dec-2026</u>	Year 10 <u>Dec-2027</u>	Year 11 <u>Dec-2028</u>
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
2.00%	2.00%	2.00%	2.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%
0.25	0.25	0.26	0.27
7.00%	7.00%	7.00%	7.00%
1.00%	1.00%	1.00%	1.00%

Year 8 <u>Dec-2025</u>	Year 9 <u>Dec-2026</u>	Year 10 <u>Dec-2027</u>	Year 11 <u>Dec-2028</u>
5/3	5/3	5/3	5/3
70.00%	70.00%	70.00%	70.00%
6.00	6.00	6.00	6.00
1.80	1.80	1.80	1.80
22.75	23.44	24.14	24.86
22.75	23.44	24.14	24.86
22.75	23.44	24.14	24.86
Continue Prior	Continue Prior	Continue Prior	Continue Prior
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
0.50	0.50	0.50	0.50
None	None	None	None
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
New BY	New BY	New BY	New BY
N/A	N/A	N/A	N/A
None	None	None	None

Assumptions Report

909 POYDRAS (Amounts in USD, Measures in SF)

Jan, 2018 through Dec, 2028

2/22/2018 3:08:35 PM

Incentives	None	None	None	None	None	None	None
Tenant Improvements (New, \$ / Area)	15.00	15.45	15.91	16.39	16.88	17.39	17.91
Tenant Improvements (Renew, \$ / Area)	5.00	5.15	5.30	5.46	5.63	5.80	5.97
Tenant Improvements (Blended, \$ / Area)	8.00	8.24	8.49	8.74	9.00	9.27	9.55
Leasing Commissions (New, Fixed %)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Leasing Commissions (Renew, Fixed %)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Leasing Commissions (Blended, Fixed %)	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Sales Percentage	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Volume	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Breakpoint	Natural	Natural	Natural	Natural	Natural	Natural	Natural
Upon Expiration	Office 1-13	Office 1-13	Office 1-13	Office 1-13	Office 1-13	Office 1-13	Office 1-13

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Office 14-26	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>
Term Length (Years/Months)	5/3	5/3	5/3	5/3	5/3	5/3	5/3
Renewal Probability†	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Months Vacant	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Months Vacant (Blended)	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Market Base Rent (New, \$ / SF / Year)	18.75	19.31	19.89	20.49	21.10	21.74	22.39
Market Base Rent (Renew, \$ / SF / Year)	18.75	19.31	19.89	20.49	21.10	21.74	22.39
Market Base Rent (Blended, \$ / SF / Year)	18.75	19.31	19.89	20.49	21.10	21.74	22.39
Market Rental Value (Continue Prior)	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Use Market or Prior	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prior Rent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fixed Steps (\$ / SF / Year)	0.00	0.50	0.50	0.50	0.50	0.50	0.50
CPI Increases	None	None	None	None	None	None	None
Free Rent (New, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Renew, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Blended, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Recovery Type	New BY	New BY	New BY	New BY	New BY	New BY	New BY
Recoveries (Net)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miscellaneous Rent	None	None	None	None	None	None	None
Incentives	None	None	None	None	None	None	None
Tenant Improvements (New, \$ / Area)	15.00	15.45	15.91	16.39	16.88	17.39	17.91
Tenant Improvements (Renew, \$ / Area)	5.00	5.15	5.30	5.46	5.63	5.80	5.97
Tenant Improvements (Blended, \$ / Area)	8.00	8.24	8.49	8.74	9.00	9.27	9.55
Leasing Commissions (New, Fixed %)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Leasing Commissions (Renew, Fixed %)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Leasing Commissions (Blended, Fixed %)	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Sales Percentage	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Volume	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Breakpoint	Natural	Natural	Natural	Natural	Natural	Natural	Natural
Upon Expiration	Office 14-26	Office 14-26	Office 14-26	Office 14-26	Office 14-26	Office 14-26	Office 14-26

Assumptions Report

None	None	None	None
18.45	19.00	19.57	20.16
6.15	6.33	6.52	6.72
9.84	10.13	10.44	10.75
4.00%	4.00%	4.00%	4.00%
2.00%	2.00%	2.00%	2.00%
2.60%	2.60%	2.60%	2.60%
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Natural	Natural	Natural	Natural
Office 1-13	Office 1-13	Office 1-13	Office 1-13

Year 8	Year 9	Year 10	Year 11
<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
5/3	5/3	5/3	5/3
70.00%	70.00%	70.00%	70.00%
6.00	6.00	6.00	6.00
1.80	1.80	1.80	1.80
23.06	23.75	24.46	25.20
23.06	23.75	24.46	25.20
23.06	23.75	24.46	25.20
Continue Prior	Continue Prior	Continue Prior	Continue Prior
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
0.50	0.50	0.50	0.50
None	None	None	None
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
New BY	New BY	New BY	New BY
N/A	N/A	N/A	N/A
None	None	None	None
None	None	None	None
18.45	19.00	19.57	20.16
6.15	6.33	6.52	6.72
9.84	10.13	10.44	10.75
4.00%	4.00%	4.00%	4.00%
2.00%	2.00%	2.00%	2.00%
2.60%	2.60%	2.60%	2.60%
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Natural	Natural	Natural	Natural
Office 14-26	Office 14-26	Office 14-26	Office 14-26

Assumptions Report

909 POYDRAS (Amounts in USD, Measures in SF)

Jan, 2018 through Dec, 2028

2/22/2018 3:08:35 PM

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Office 27-36	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>
Term Length (Years/Months)	5/3	5/3	5/3	5/3	5/3	5/3	5/3
Renewal Probability†	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Months Vacant	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Months Vacant (Blended)	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Market Base Rent (New, \$ / SF / Year)	19.00	19.57	20.16	20.76	21.38	22.03	22.69
Market Base Rent (Renew, \$ / SF / Year)	19.00	19.57	20.16	20.76	21.38	22.03	22.69
Market Base Rent (Blended, \$ / SF / Year)	19.00	19.57	20.16	20.76	21.38	22.03	22.69
Market Rental Value (Continue Prior)	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Use Market or Prior	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prior Rent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fixed Steps (\$ / SF / Year)	0.00	0.50	0.50	0.50	0.50	0.50	0.50
CPI Increases	None	None	None	None	None	None	None
Free Rent (New, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Renew, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Blended, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Recovery Type	New BY	New BY	New BY	New BY	New BY	New BY	New BY
Recoveries (Net)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miscellaneous Rent	None	None	None	None	None	None	None
Incentives	None	None	None	None	None	None	None
Tenant Improvements (New, \$ / Area)	15.00	15.45	15.91	16.39	16.88	17.39	17.91
Tenant Improvements (Renew, \$ / Area)	5.00	5.15	5.30	5.46	5.63	5.80	5.97
Tenant Improvements (Blended, \$ / Area)	8.00	8.24	8.49	8.74	9.00	9.27	9.55
Leasing Commissions (New, Fixed %)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Leasing Commissions (Renew, Fixed %)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Leasing Commissions (Blended, Fixed %)	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Sales Percentage	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Volume	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Breakpoint	Natural	Natural	Natural	Natural	Natural	Natural	Natural
Upon Expiration	Office 27-36	Office 27-36	Office 27-36	Office 27-36	Office 27-36	Office 27-36	Office 27-36

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Retail	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>
Term Length (Years/Months)	5/3	5/3	5/3	5/3	5/3	5/3	5/3
Renewal Probability†	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Months Vacant	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Months Vacant (Blended)	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Market Base Rent (New, \$ / SF / Year)	70.00	72.10	74.26	76.49	78.79	81.15	83.58
Market Base Rent (Renew, \$ / SF / Year)	70.00	72.10	74.26	76.49	78.79	81.15	83.58
Market Base Rent (Blended, \$ / SF / Year)	70.00	72.10	74.26	76.49	78.79	81.15	83.58
Market Rental Value (Continue Prior)	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Use Market or Prior	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Assumptions Report

Year 8	Year 9	Year 10	Year 11
<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
5/3	5/3	5/3	5/3
70.00%	70.00%	70.00%	70.00%
6.00	6.00	6.00	6.00
1.80	1.80	1.80	1.80
23.37	24.07	24.79	25.53
23.37	24.07	24.79	25.53
23.37	24.07	24.79	25.53
Continue Prior	Continue Prior	Continue Prior	Continue Prior
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
0.50	0.50	0.50	0.50
None	None	None	None
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
New BY	New BY	New BY	New BY
N/A	N/A	N/A	N/A
None	None	None	None
None	None	None	None
18.45	19.00	19.57	20.16
6.15	6.33	6.52	6.72
9.84	10.13	10.44	10.75
4.00%	4.00%	4.00%	4.00%
2.00%	2.00%	2.00%	2.00%
2.60%	2.60%	2.60%	2.60%
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Natural	Natural	Natural	Natural
Office 27-36	Office 27-36	Office 27-36	Office 27-36

Year 8	Year 9	Year 10	Year 11
<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
5/3	5/3	5/3	5/3
70.00%	70.00%	70.00%	70.00%
6.00	6.00	6.00	6.00
1.80	1.80	1.80	1.80
86.09	88.67	91.33	94.07
86.09	88.67	91.33	94.07
86.09	88.67	91.33	94.07
Continue Prior	Continue Prior	Continue Prior	Continue Prior
N/A	N/A	N/A	N/A

Assumptions Report

909 POYDRAS (Amounts in USD, Measures in SF)

Jan, 2018 through Dec, 2028

2/22/2018 3:08:35 PM

Prior Rent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fixed Steps (\$ / SF / Year)	0.00	0.50	0.50	0.50	0.50	0.50	0.50
CPI Increases	None	None	None	None	None	None	None
Free Rent (New, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Renew, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Free Rent (Blended, Months)	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Recovery Type	New BY	New BY	New BY	New BY	New BY	New BY	New BY
Recoveries (Net)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miscellaneous Rent	None	None	None	None	None	None	None
Incentives	None	None	None	None	None	None	None
Tenant Improvements (New, \$ / Area)	15.00	15.45	15.91	16.39	16.88	17.39	17.91
Tenant Improvements (Renew, \$ / Area)	5.00	5.15	5.30	5.46	5.63	5.80	5.97
Tenant Improvements (Blended, \$ / Area)	8.00	8.24	8.49	8.74	9.00	9.27	9.55
Leasing Commissions (New, Fixed %)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Leasing Commissions (Renew, Fixed %)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Leasing Commissions (Blended, Fixed %)	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Sales Percentage	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Volume	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Breakpoint	Natural	Natural	Natural	Natural	Natural	Natural	Natural
Upon Expiration	Retail	Retail	Retail	Retail	Retail	Retail	Retail

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Storage	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>
Term Length (Years/Months)	5	5	5	5	5	5	5
Renewal Probability†	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Months Vacant	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Months Vacant (Blended)	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Market Base Rent (New, \$ / Month)	1,000.00	1,030.00	1,060.90	1,092.73	1,125.51	1,159.27	1,194.05
Market Base Rent (Renew, \$ / Month)	1,000.00	1,030.00	1,060.90	1,092.73	1,125.51	1,159.27	1,194.05
Market Base Rent (Blended, \$ / Month)	1,000.00	1,030.00	1,060.90	1,092.73	1,125.51	1,159.27	1,194.05
Market Rental Value (Continue Prior)	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Use Market or Prior	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prior Rent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fixed Steps (None)	None	None	None	None	None	None	None
CPI Increases	None	None	None	None	None	None	None
Free Rent (New, Months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Free Rent (Renew, Months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Free Rent (Blended, Months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recovery Type	New BY	New BY	New BY	New BY	New BY	New BY	New BY
Recoveries (Net)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miscellaneous Rent	None	None	None	None	None	None	None
Incentives	None	None	None	None	None	None	None
Tenant Improvements (New, None)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Assumptions Report

N/A	N/A	N/A	N/A
0.50	0.50	0.50	0.50
None	None	None	None
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
New BY	New BY	New BY	New BY
N/A	N/A	N/A	N/A
None	None	None	None
None	None	None	None
18.45	19.00	19.57	20.16
6.15	6.33	6.52	6.72
9.84	10.13	10.44	10.75
4.00%	4.00%	4.00%	4.00%
2.00%	2.00%	2.00%	2.00%
2.60%	2.60%	2.60%	2.60%
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Natural	Natural	Natural	Natural
Retail	Retail	Retail	Retail

Year 8	Year 9	Year 10	Year 11
<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
5	5	5	5
70.00%	70.00%	70.00%	70.00%
6.00	6.00	6.00	6.00
1.80	1.80	1.80	1.80
1,229.87	1,266.77	1,304.77	1,343.92
1,229.87	1,266.77	1,304.77	1,343.92
1,229.87	1,266.77	1,304.77	1,343.92
Continue Prior	Continue Prior	Continue Prior	Continue Prior
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
None	None	None	None
None	None	None	None
0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00
New BY	New BY	New BY	New BY
N/A	N/A	N/A	N/A
None	None	None	None
None	None	None	None
0.00	0.00	0.00	0.00

Assumptions Report

909 POYDRAS (Amounts in USD, Measures in SF)

Jan, 2018 through Dec, 2028

2/22/2018 3:08:35 PM

Tenant Improvements (Renew, None)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tenant Improvements (Blended, None)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Leasing Commissions (New, Fixed %)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Leasing Commissions (Renew, Fixed %)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Leasing Commissions (Blended, Fixed %)	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
Sales Percentage	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Volume	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Sales Breakpoint	Natural	Natural	Natural	Natural	Natural	Natural	Natural
Upon Expiration	Storage	Storage	Storage	Storage	Storage	Storage	Storage

† This parameter varies within the reporting period.

Assumptions Report

0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00
4.00%	4.00%	4.00%	4.00%
2.00%	2.00%	2.00%	2.00%
2.60%	2.60%	2.60%	2.60%
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Continue Prior	Continue Prior	Continue Prior	Continue Prior
Natural	Natural	Natural	Natural
Storage	Storage	Storage	Storage

Sources and Uses

909 POYDRAS (Amounts in USD)
Jan, 2018 through Dec, 2027
2/22/2018 3:09:07 PM

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
For the Years Ending	Year 1 <u>Dec-2018</u>	Year 2 <u>Dec-2019</u>	Year 3 <u>Dec-2020</u>	Year 4 <u>Dec-2021</u>	Year 5 <u>Dec-2022</u>	Year 6 <u>Dec-2023</u>	Year 7 <u>Dec-2024</u>	Year 8 <u>Dec-2025</u>	Year 9 <u>Dec-2026</u>	Year 10 <u>Dec-2027</u>	Total <u></u>
Sources Of Capital											
Net Operating Gains	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	7,362,590	61,786,266
Net Proceeds From Sale	0	0	0	0	0	0	0	0	0	97,276,741	97,276,741
Defined Sources Of Capital	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	104,639,331	159,063,007
Required Equity Contributions	0	0	0	0	0	0	0	0	0	0	0
Total Sources Of Capital	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	104,639,331	159,063,007
Uses Of Capital											
Tenant Improvements	1,100,760	930,212	895,864	210,232	253,933	1,008,290	962,530	1,138,804	636,010	468,434	7,605,069
Leasing Commissions	310,283	257,405	283,410	67,830	81,495	325,112	307,550	363,131	203,218	149,598	2,349,032
Capital Expenditures	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	1,249,923
Defined Uses Of Capital	1,520,074	1,299,919	1,294,945	397,204	458,143	1,459,800	1,400,270	1,636,030	977,346	760,293	11,204,025
Cash Flow Distributions	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	103,879,037	147,858,982
Total Uses Of Capital	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	104,639,331	159,063,007
Unleveraged Cash on Cash Return											
Cash to Purchase Price	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NOI to Book Value	310.39%	198.04%	136.39%	135.28%	127.46%	98.58%	79.90%	68.53%	66.90%	65.71%	551.46%
Leveraged Cash on Cash Return											
Cash to Initial Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unleveraged Annual IRR										N/A	
Leveraged Annual IRR										N/A	

* Results displayed are based on Forecast data only

Lease Expiration Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Jan, 2017

All Tenants/ All Lease Periods

2/22/2018 3:09:19 PM

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>	<u>Base Rent</u>	<u>Base Rent/SF</u>	<u>Market Rent/SF</u>	<u>Rent vs. Market Rent</u>
2018 Expirations											
17. Vanir Construction Management	1175	Base	Contract	11/30/2018	1 Year 11 Months	1,815.00	0.33%	34,031.28	18.75	18.50	101.35%
33. Breazeale, Sachse & Wilson	1500	Base	Contract	8/31/2018	1 Year 8 Months	8,620.00	1.58%	159,470.04	18.50	18.75	98.67%
35. Breazeale, Sachse & Wilson	1575	Base	Contract	8/31/2018	1 Year 8 Months	3,389.00	0.62%	62,696.52	18.50	18.75	98.67%
37. Coker & Palmer, Inc.	1580	Base	Contract	6/30/2018	1 Year 6 Months	2,019.00	0.37%	37,351.56	18.50	18.75	98.67%
39. Breazeale, Sachse & Wilson	1590	Base	Contract	8/31/2018	1 Year 8 Months	1,974.00	0.36%	36,519.00	18.50	18.75	98.67%
49. TIDEWATER MARINE	1630	Base	Contract	1/31/2018	1 Year 1 Month	1,459.00	0.27%	28,450.56	19.50	18.75	104.00%
76. Stanley & Flanagan & Reuter	2500	Base	Contract	4/30/2018	1 Year 4 Months	12,451.00	2.28%	224,118.00	18.00	18.75	96.00%
77. Stanley & Flanagan & Reuter	2550	Base	Contract	4/30/2018	1 Year 4 Months	4,116.00	0.76%	74,088.00	18.00	18.75	96.00%
86. Glago Law Firm	2950	Base	Contract	7/31/2018	1 Year 7 Months	5,152.00	0.95%	92,736.00	18.00	19.00	94.74%
Total 2018 Expirations						40,995.00	7.52%	749,460.96	18.28	18.77	97.40%
2019 Expirations											
3. City Green	0125	Base	Contract	8/31/2019	2 Years 8 Months	2,130.00	0.39%	40,746.96	19.13	19.06	100.39%
19. Jacobs Engineering Group	1200	Base	Contract	11/30/2019	2 Years 11 Months	13,115.00	2.41%	242,627.50	18.50	19.06	97.09%
21. CSRS	1240	Base	Contract	11/30/2019	2 Years 11 Months	1,437.00	0.26%	26,584.50	18.50	19.06	97.09%
25. Raymond James & Associates	1300	Base	Contract	12/31/2019	3 Years	16,100.00	2.95%	313,950.00	19.50	19.06	102.34%
71. Milling Benson Woodward, LLP	2300-2410	Base	Contract	2/28/2019	2 Years 2 Months	9,818.00	1.80%	186,535.56	19.00	19.31	98.38%
72. Barrasso Usdin Kuperman	2350	Base	Contract	12/31/2019	3 Years	8,815.00	1.62%	176,300.04	20.00	19.31	103.56%
73. Barrasso Usdin Kuperman	2400	Base	Contract	12/31/2019	3 Years	18,377.00	3.37%	367,400.40	19.99	19.31	103.52%
74. Milling Benson Woodward, LLP	2410	Base	Contract	2/28/2019	2 Years 2 Months	265.00	0.05%	4,902.50	18.50	19.31	95.79%
75. Barrasso Usdin Kuperman	2425	Base	Contract	12/31/2019	3 Years	1,400.00	0.26%	28,000.08	20.00	19.31	103.56%
79. Sullivan Stolier Knight	2600	Base	Contract	7/31/2019	2 Years 7 Months	8,166.00	1.50%	151,071.00	18.50	19.31	95.79%
82. MV Health	2660	Base	Contract	6/30/2019		1,262.00	0.23%	23,347.00	18.50	19.31	95.79%
Total 2019 Expirations						80,885.00	14.84%	1,561,465.54	19.30	19.21	100.50%
2020 Expirations											
5. Yong Cheng	0130	Base	Contract	8/31/2020	3 Years 8 Months	80.00	0.01%	5,700.00	71.25	74.26	95.94%
23. WEILER & REES	1250	Base	Contract	4/30/2020	3 Years 4 Months	2,519.00	0.46%	47,231.25	18.75	19.63	95.53%
29. Resolvit, LLC	1425	Base	Contract	9/30/2020	3 Years 9 Months	3,363.00	0.62%	65,578.56	19.50	19.89	98.03%
43. BOI Construction LLC	1615	Base	Contract	11/30/2020	3 Years 11 Months	1,013.00	0.19%	17,220.96	17.00	19.89	85.46%
45. Alvendia, Kelly & Demarest	1625	Base	Contract	6/30/2020	3 Years 6 Months	5,550.00	1.02%	102,675.00	18.50	19.89	93.00%
47. Alvendia, Kelly & Demarest	1627	Base	Contract	6/30/2020	3 Years 6 Months	1,008.00	0.18%	18,648.00	18.50	19.89	93.00%
56. Garrison Yount	1800	Base	Contract	10/31/2020	3 Years 10 Months	5,088.00	0.93%	94,128.00	18.50	19.89	93.00%
57. Garrison Yount	1820	Base	Contract	10/31/2020	3 Years 10 Months	1,273.00	0.23%	23,550.50	18.50	19.89	93.00%
58. Spears & Spears, LLC	1825	Base	Contract	9/30/2020		1,872.00	0.34%	35,568.00	19.00	19.89	95.52%
61. Lanier Parking	2120	Base	Contract	5/31/2020		1,339.00	0.25%	24,102.00	18.00	19.89	90.49%

Lease Expiration Report

<u>Effective Rent/SF</u>	<u>Effective Market/SF</u>	<u>Effective Rent vs. Effective Market Rent</u>
18.75	19.07	98.30%
18.53	18.98	97.63%
18.53	18.98	97.63%
18.50	18.93	97.70%
18.50	18.98	97.47%
19.53	18.82	103.77%
18.00	18.89	95.30%
18.00	18.89	95.30%
18.00	19.21	93.71%
18.29	18.97	96.43%
19.35	19.25	100.50%
18.75	19.65	95.44%
18.75	19.65	95.44%
19.50	19.67	99.13%
19.05	19.39	98.22%
20.09	19.94	100.77%
20.58	19.94	103.23%
18.55	19.39	95.64%
20.09	19.94	100.77%
18.57	19.49	95.29%
18.64	19.47	95.73%
19.52	19.69	99.10%
71.25	74.49	95.65%
19.11	19.76	96.68%
19.95	20.14	99.08%
17.24	20.51	84.06%
18.61	20.07	92.73%
18.61	20.07	92.73%
18.50	20.49	90.29%
18.50	20.49	90.29%
19.45	20.14	96.60%
18.38	20.05	91.65%

Lease Expiration Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Jan, 2017

All Tenants/ All Lease Periods

2/22/2018 3:09:19 PM

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>	<u>Base Rent</u>	<u>Base Rent/SF</u>	<u>Market Rent/SF</u>	<u>Rent vs. Market Rent</u>
62. MOSES ENGINEERS*	2150	Base	Contract	9/30/2020	3 Years 9 Months	9,839.00	1.80%	182,021.50	18.50	19.89	93.00%
64. Gori Julian	2195	Base	Contract	7/31/2020		1,917.00	0.35%	36,502.88	19.04	19.89	95.73%
68. First Insurance Agency	2260	Base	Contract	4/30/2020	3 Years 4 Months	2,392.00	0.44%	44,252.04	18.50	19.89	93.00%
69. John Fuller	2270	Base	Contract	3/31/2020	3 Years 3 Months	1,866.00	0.34%	36,387.00	19.50	19.89	98.03%
78. Iris Data Services, Inc.	2570	Base	Contract	1/31/2020	3 Years 1 Month	2,893.00	0.53%	57,397.08	19.84	19.89	99.74%
80. Evangeline	2620	Base	Contract	4/30/2020	3 Years 4 Months	2,684.00	0.49%	48,312.00	18.00	19.89	90.49%
Total 2020 Expirations						44,696.00	8.20%	839,274.77	18.78	19.97	94.01%

2021 Expirations

15. ROBERT HALF	1150	Base	Contract	5/31/2021	4 Years 5 Months	4,701.00	0.86%	92,844.75	19.75	20.22	97.70%
27. Middleberg Riddle	1400	Base	Contract	10/31/2021	4 Years 10 Months	10,479.00	1.92%	188,622.00	18.00	20.49	87.85%
59. Bland & Partners, PLLC	1860	Base	Contract	10/31/2021	4 Years 10 Months	5,670.00	1.04%	104,895.00	18.50	20.49	90.29%
65. Marigny Capial Services	2200	Base	Contract	10/31/2021	4 Years 10 Months	4,148.00	0.76%	77,775.00	18.75	20.49	91.51%
66. Marigny Capial Services	2230	Base	Contract	10/31/2021	4 Years 10 Months	7,088.00	1.30%	132,900.00	18.75	20.49	91.51%
70. Marigny Capital Services, LLC	2280	Base	Contract	10/31/2021	4 Years 10 Months	817.00	0.15%	15,318.72	18.75	20.49	91.51%
85. KPMG	2900	Base	Contract	5/31/2021	4 Years 5 Months	11,974.00	2.20%	230,499.50	19.25	20.76	92.72%
Total 2021 Expirations						44,877.00	8.23%	842,854.97	18.78	20.53	91.47%

2023 Expirations

7. Blanchard and Company	0140	Base	Contract	9/30/2023	6 Years 9 Months	1,191.00	0.22%	21,438.00	18.00	21.45	83.93%
9. Blanchard and Company	0150	Base	Contract	9/30/2023	6 Years 9 Months	3,310.00	0.61%	59,580.00	18.00	21.45	83.93%
13. Scott Vicknair	1100	Base	Contract	10/31/2023	6 Years 10 Months	5,523.00	1.01%	103,556.25	18.75	21.45	87.43%
37. Coker & Palmer, Inc.	1580	Market	Speculative	11/30/2023		2,019.00	0.37%	37,856.25	18.75	21.74	86.26%
41. Schonekas Evans McGoeys	1600	Base	Contract	2/28/2023	6 Years 2 Months	10,965.00	2.01%	202,852.50	18.50	21.74	85.11%
49. TIDEWATER MARINE	1630	Market	Speculative	6/30/2023		1,459.00	0.27%	27,356.25	18.75	21.74	86.26%
60. Blanchard and Company	1900	Base	Contract	9/30/2023	6 Years 9 Months	20,282.00	3.72%	365,076.00	18.00	21.74	82.81%
67. Capitol Energy Group, Inc.	2250	Base	Contract	2/28/2023		3,370.00	0.62%	64,030.00	19.00	21.74	87.41%
76. Stanley & Flanagan & Reuter	2500	Market	Speculative	9/30/2023		12,451.00	2.28%	233,456.25	18.75	21.74	86.26%
77. Stanley & Flanagan & Reuter	2550	Market	Speculative	9/30/2023		4,116.00	0.76%	77,175.00	18.75	21.74	86.26%
81. Alliant Insurance	2650	Base	Contract	4/30/2023		6,333.00	1.16%	126,660.00	20.00	21.74	92.01%
86. Glago Law Firm	2950	Market	Speculative	12/31/2023		5,152.00	0.95%	97,888.00	19.00	22.03	86.26%
88. Beau Box New Orleans	3025	Base	Contract	6/30/2023		5,877.00	1.08%	111,663.00	19.00	22.03	86.26%
95. Blanchard and Company - STRME	STRME	Base	Contract	9/30/2023	6 Years 9 Months	1,071.00	0.20%	10,710.00	10.00	12.99	76.99%
2. Office Space (1 of 9)	Auto Lease-Up	Base	Speculative	3/31/2023		3,555.00	0.65%	65,767.50	18.50	21.45	86.26%
4. Office Space (2 of 9)	Auto Lease-Up	Base	Speculative	6/30/2023		3,555.00	0.65%	65,767.50	18.50	21.45	86.26%
6. Office Space (3 of 9)	Auto Lease-Up	Base	Speculative	9/30/2023		3,555.00	0.65%	65,767.50	18.50	21.45	86.26%
8. Office Space (4 of 9)	Auto Lease-Up	Base	Speculative	12/31/2023		3,555.00	0.65%	65,767.50	18.50	21.45	86.26%
20. Office Space 2nd Tier (1 of 8)	Auto Lease-Up	Base	Speculative	3/31/2023		4,790.00	0.88%	89,812.50	18.75	21.74	86.26%
22. Office Space 2nd Tier (2 of 8)	Auto Lease-Up	Base	Speculative	6/30/2023		4,790.00	0.88%	89,812.50	18.75	21.74	86.26%

Lease Expiration Report

Effective Rent/SF	Effective Market/SF	Effective Rent vs. Effective Market Rent
18.95	20.14	94.12%
19.46	20.09	96.83%
18.50	20.03	92.38%
19.53	20.00	97.64%
19.92	19.96	99.81%
18.36	20.03	91.66%
19.03	20.23	94.07%
20.38	20.37	100.04%
18.46	21.10	87.48%
19.24	21.10	91.16%
18.81	21.10	89.14%
18.92	21.10	89.67%
18.81	21.10	89.14%
19.60	20.91	93.71%
19.18	20.98	91.42%
18.96	21.68	87.45%
18.96	21.68	87.45%
20.01	22.09	90.58%
22.16	22.41	98.86%
19.52	21.82	89.45%
22.05	21.91	100.64%
19.37	21.97	88.17%
20.09	21.82	92.05%
22.11	21.97	100.63%
22.11	21.97	100.63%
21.13	21.87	96.64%
22.43	22.73	98.65%
20.17	22.20	90.88%
10.53	13.23	79.60%
21.74	21.55	100.84%
21.80	21.62	100.83%
21.86	21.68	100.82%
21.93	22.14	99.05%
21.99	21.84	100.64%
22.05	21.91	100.64%

Lease Expiration Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Jan, 2017

All Tenants/ All Lease Periods

2/22/2018 3:09:19 PM

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>	<u>Base Rent</u>	<u>Base Rent/SF</u>	<u>Market Rent/SF</u>	<u>Rent vs. Market Rent</u>
24. Office Space 2nd Tier (3 of 8)	Auto Lease-Up	Base	Speculative	9/30/2023		4,790.00	0.88%	89,812.50	18.75	21.74	86.26%
36. Office Space 3rd Tier (1 of 9)	Auto Lease-Up	Base	Speculative	3/31/2023		4,777.00	0.88%	90,763.00	19.00	22.03	86.26%
38. Office Space 3rd Tier (2 of 9)	Auto Lease-Up	Base	Speculative	6/30/2023		4,777.00	0.88%	90,763.00	19.00	22.03	86.26%
40. Office Space 3rd Tier (3 of 9)	Auto Lease-Up	Base	Speculative	9/30/2023		4,777.00	0.88%	90,763.00	19.00	22.03	86.26%
42. Office Space 3rd Tier (4 of 9)	Auto Lease-Up	Base	Speculative	12/31/2023		4,777.00	0.88%	90,763.00	19.00	22.03	86.26%
Total 2023 Expirations						130,817.00	24.00%	2,434,857.00	18.61	21.68	85.86%

2024 Expirations

11. McCranie Sistrunk Anzelmo	1000	Base	Contract	7/31/2024	7 Years 7 Months	14,490.00	2.66%	271,687.56	18.75	22.09	84.88%
17. Vanir Construction Management	1175	Market	Speculative	4/30/2024		1,815.00	0.33%	34,584.83	19.06	22.09	86.26%
33. Breazeale, Sachse & Wilson	1500	Market	Speculative	1/31/2024		8,620.00	1.58%	161,625.00	18.75	22.39	83.75%
35. Breazeale, Sachse & Wilson	1575	Market	Speculative	1/31/2024		3,389.00	0.62%	63,543.75	18.75	22.39	83.75%
39. Breazeale, Sachse & Wilson	1590	Market	Speculative	1/31/2024		1,974.00	0.36%	37,012.50	18.75	22.39	83.75%
71. Milling Benson Woodward, LLP	2300-2410	Market	Speculative	7/31/2024		9,818.00	1.80%	189,610.13	19.31	22.39	86.26%
74. Milling Benson Woodward, LLP	2410	Market	Speculative	7/31/2024		265.00	0.05%	5,117.81	19.31	22.39	86.26%
79. Sullivan Stolier Knight	2600	Market	Speculative	12/31/2024		8,166.00	1.50%	157,705.88	19.31	22.39	86.26%
82. MV Health	2660	Market	Speculative	11/30/2024		1,262.00	0.23%	24,372.38	19.31	22.39	86.26%
87. AIG Domestic Claims, Inc.	3000	Base	Contract	12/31/2024	8 Years	6,821.00	1.25%	127,893.75	18.75	22.69	82.65%
10. Office Space (5 of 9)	Auto Lease-Up	Base	Speculative	3/31/2024		3,555.00	0.65%	67,740.53	19.06	22.09	86.26%
12. Office Space (6 of 9)	Auto Lease-Up	Base	Speculative	6/30/2024		3,555.00	0.65%	67,740.53	19.06	22.09	86.26%
14. Office Space (7 of 9)	Auto Lease-Up	Base	Speculative	9/30/2024		3,555.00	0.65%	67,740.53	19.06	22.09	86.26%
16. Office Space (8 of 9)	Auto Lease-Up	Base	Speculative	12/31/2024		3,555.00	0.65%	67,740.53	19.06	22.09	86.26%
26. Office Space 2nd Tier (4 of 8)	Auto Lease-Up	Base	Speculative	1/31/2024		4,790.00	0.88%	89,812.50	18.75	22.39	83.75%
28. Office Space 2nd Tier (5 of 8)	Auto Lease-Up	Base	Speculative	4/30/2024		4,790.00	0.88%	92,506.88	19.31	22.39	86.26%
30. Office Space 2nd Tier (6 of 8)	Auto Lease-Up	Base	Speculative	8/31/2024		4,790.00	0.88%	92,506.88	19.31	22.39	86.26%
32. Office Space 2nd Tier (7 of 8)	Auto Lease-Up	Base	Speculative	11/30/2024		4,790.00	0.88%	92,506.88	19.31	22.39	86.26%
44. Office Space 3rd Tier (5 of 9)	Auto Lease-Up	Base	Speculative	3/31/2024		4,777.00	0.88%	93,485.89	19.57	22.69	86.26%
46. Office Space 3rd Tier (6 of 9)	Auto Lease-Up	Base	Speculative	6/30/2024		4,777.00	0.88%	93,485.89	19.57	22.69	86.26%
48. Office Space 3rd Tier (7 of 9)	Auto Lease-Up	Base	Speculative	9/30/2024		4,777.00	0.88%	93,485.89	19.57	22.69	86.26%
50. Office Space 3rd Tier (8 of 9)	Auto Lease-Up	Base	Speculative	12/31/2024		4,777.00	0.88%	93,485.89	19.57	22.69	86.26%
Total 2024 Expirations						109,108.00	20.01%	2,085,392.36	19.11	22.38	85.42%

2025 Expirations

3. City Green	0125	Market	Speculative	1/31/2025		2,130.00	0.39%	40,587.15	19.06	22.75	83.75%
19. Jacobs Engineering Group	1200	Market	Speculative	4/30/2025		13,115.00	2.41%	257,403.51	19.63	22.75	86.26%
21. CSRS	1240	Market	Speculative	4/30/2025		1,437.00	0.26%	28,203.50	19.63	22.75	86.26%
23. WEILER & REES	1250	Market	Speculative	9/30/2025		2,519.00	0.46%	49,439.53	19.63	22.75	86.26%
25. Raymond James & Associates	1300	Market	Speculative	5/31/2025		16,100.00	2.95%	315,989.07	19.63	22.75	86.26%
45. Alvendia, Kelly & Demarest	1625	Market	Speculative	11/30/2025		5,550.00	1.02%	110,399.91	19.89	23.06	86.26%

Lease Expiration Report

Effective Rent/SF	Effective Market/SF	Effective Rent vs. Effective Market Rent
22.11	21.97	100.63%
22.24	22.13	100.45%
22.30	22.20	100.45%
22.36	22.26	100.45%
22.43	22.73	98.65%
21.00	21.94	95.70%
19.82	22.30	88.88%
22.29	22.23	100.27%
22.20	22.46	98.84%
22.20	22.46	98.84%
22.20	22.46	98.84%
22.61	22.60	100.05%
22.61	22.60	100.05%
22.72	23.11	98.32%
22.70	23.09	98.33%
19.81	23.42	84.60%
22.27	22.21	100.28%
22.34	22.28	100.25%
22.40	22.35	100.22%
22.47	22.80	98.51%
22.20	22.46	98.84%
22.55	22.53	100.08%
22.64	22.63	100.04%
22.70	23.09	98.33%
22.79	22.81	99.91%
22.85	22.88	99.88%
22.92	22.95	99.85%
22.98	23.42	98.13%
22.02	22.69	97.02%
22.49	22.83	98.51%
22.90	22.91	99.95%
22.90	22.91	99.95%
23.01	23.04	99.91%
22.92	22.93	99.94%
23.33	23.78	98.10%

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2/22/2018 3:09:19 PM

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>	<u>Base Rent</u>	<u>Base Rent/SF</u>	<u>Market Rent/SF</u>	<u>Rent vs. Market Rent</u>
47. Alvendia, Kelly & Demarest	1627	Market	Speculative	11/30/2025		1,008.00	0.18%	20,051.01	19.89	23.06	86.26%
61. Lanier Parking	2120	Market	Speculative	10/31/2025		1,339.00	0.25%	26,635.22	19.89	23.06	86.26%
64. Gori Julian	2195	Market	Speculative	12/31/2025		1,917.00	0.35%	38,132.72	19.89	23.06	86.26%
68. First Insurance Agency	2260	Market	Speculative	9/30/2025		2,392.00	0.44%	47,581.37	19.89	23.06	86.26%
69. John Fuller	2270	Market	Speculative	8/31/2025		1,866.00	0.34%	37,118.24	19.89	23.06	86.26%
72. Barrasso Usdin Kuperman	2350	Market	Speculative	5/31/2025		8,815.00	1.62%	175,346.88	19.89	23.06	86.26%
73. Barrasso Usdin Kuperman	2400	Market	Speculative	5/31/2025		18,377.00	3.37%	365,552.99	19.89	23.06	86.26%
75. Barrasso Usdin Kuperman	2425	Market	Speculative	5/31/2025		1,400.00	0.26%	27,848.63	19.89	23.06	86.26%
78. Iris Data Services, Inc.	2570	Market	Speculative	6/30/2025		2,893.00	0.53%	57,547.19	19.89	23.06	86.26%
80. Evangeline	2620	Market	Speculative	9/30/2025		2,684.00	0.49%	53,389.79	19.89	23.06	86.26%
89. Pricewaterhouse Coopers LLP	3100	Base	Contract	4/30/2025	8 Years 4 Months	7,851.00	1.44%	157,020.00	20.00	23.37	85.59%
18. Office Space (9 of 9)	Auto Lease-Up	Base	Speculative	3/31/2025		3.00	0.00%	58.88	19.63	22.75	86.26%
34. Office Space 2nd Tier (8 of 8)	Auto Lease-Up	Base	Speculative	3/31/2025		4,789.00	0.88%	95,262.19	19.89	23.06	86.26%
52. Office Space 3rd Tier (9 of 9)	Auto Lease-Up	Base	Speculative	3/31/2025		2.00	0.00%	40.31	20.16	23.37	86.26%
Total 2025 Expirations						96,187.00	17.64%	1,903,608.08	19.79	22.97	86.15%

2026 Expirations

1. FIRST BANK AND TRUST	0100	Base	Contract	3/31/2026	9 Years 3 Months	10,188.00	1.87%	180,837.00	17.75	23.44	75.74%
5. Yong Cheng	0130	Market	Speculative	1/31/2026		80.00	0.01%	5,941.04	74.26	88.67	83.75%
15. ROBERT HALF	1150	Market	Speculative	10/31/2026		4,701.00	0.86%	95,032.83	20.22	23.44	86.26%
29. Resolvit, LLC	1425	Market	Speculative	2/28/2026		3,363.00	0.62%	66,896.38	19.89	23.75	83.75%
43. BOI Construction LLC	1615	Market	Speculative	4/30/2026		1,013.00	0.19%	20,754.98	20.49	23.75	86.26%
51. First Bank and Trust	1700	Base	Contract	3/31/2026	9 Years 3 Months	13,117.00	2.41%	232,826.76	17.75	23.75	74.73%
53. First Bank and Trust	1717	Base	Contract	3/31/2026	9 Years 3 Months	2,015.00	0.37%	35,766.24	17.75	23.75	74.73%
54. First Bank and Trust	1750	Base	Contract	3/31/2026	9 Years 3 Months	2,675.00	0.49%	47,481.24	17.75	23.75	74.73%
55. First Bank and Trust	1780	Base	Contract	3/31/2026	9 Years 3 Months	2,422.00	0.44%	42,990.48	17.75	23.75	74.73%
56. Garrison Yount	1800	Market	Speculative	3/31/2026		5,088.00	0.93%	104,246.16	20.49	23.75	86.26%
57. Garrison Yount	1820	Market	Speculative	3/31/2026		1,273.00	0.23%	26,082.03	20.49	23.75	86.26%
58. Spears & Spears, LLC	1825	Market	Speculative	2/28/2026		1,872.00	0.34%	37,237.59	19.89	23.75	83.75%
62. MOSES ENGINEERS*	2150	Market	Speculative	2/28/2026		9,839.00	1.80%	195,716.16	19.89	23.75	83.75%
85. KPMG	2900	Market	Speculative	10/31/2026		11,974.00	2.20%	248,601.95	20.76	24.07	86.26%
Total 2026 Expirations						69,620.00	12.77%	1,340,410.83	19.25	23.81	80.85%

2027 Expirations

27. Middleberg Riddle	1400	Market	Speculative	3/31/2027		10,479.00	1.92%	221,141.38	21.10	24.46	86.26%
59. Bland & Partners, PLLC	1860	Market	Speculative	3/31/2027		5,670.00	1.04%	119,655.66	21.10	24.46	86.26%
65. Marigny Capial Services	2200	Market	Speculative	3/31/2027		4,148.00	0.76%	87,536.45	21.10	24.46	86.26%
66. Marigny Capial Services	2230	Market	Speculative	3/31/2027		7,088.00	1.30%	149,580.12	21.10	24.46	86.26%
70. Marigny Capital Services, LLC	2280	Market	Speculative	3/31/2027		817.00	0.15%	17,241.39	21.10	24.46	86.26%

Lease Expiration Report

Effective Rent/SF	Effective Market/SF	Effective Rent vs. Effective Market Rent
23.33	23.78	98.10%
23.30	23.75	98.11%
23.35	23.80	98.10%
23.28	23.34	99.73%
23.26	23.32	99.74%
23.18	23.24	99.76%
23.18	23.24	99.76%
23.18	23.24	99.76%
23.21	23.27	99.75%
23.28	23.34	99.73%
20.95	23.52	89.06%
22.87	22.88	99.96%
23.14	23.19	99.78%
23.40	23.50	99.60%
22.91	23.21	98.73%
19.98	23.56	84.80%
77.75	88.75	87.60%
23.66	24.14	98.03%
23.40	23.86	98.10%
23.78	23.91	99.47%
19.98	23.88	83.68%
18.97	23.88	79.42%
18.97	23.88	79.42%
19.98	23.88	83.68%
23.76	23.88	99.47%
23.76	23.88	99.47%
23.40	23.86	98.10%
23.40	23.86	98.10%
24.21	24.79	97.65%
22.10	24.08	91.77%
24.42	24.59	99.28%
24.42	24.59	99.28%
24.42	24.59	99.28%
24.42	24.59	99.28%
24.42	24.59	99.28%

Lease Expiration Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Jan, 2017

All Tenants/ All Lease Periods

2/22/2018 3:09:19 PM

<u>Tenants</u>	<u>Suite</u>	<u>Lease Period</u>	<u>Lease Status</u>	<u>Expiration Date</u>	<u>Remaining Term</u>	<u>Expiring Area</u>	<u>Building Share %</u>	<u>Base Rent</u>	<u>Base Rent/SF</u>	<u>Market Rent/SF</u>	<u>Rent vs. Market Rent</u>
83. Sher Garner Cahill Richter	2700	Base	Contract	12/31/2027	11 Years	20,766.00	3.81%	385,624.62	18.57	24.79	74.91%
84. Sher Garner Cahill Richter	2800	Base	Contract	12/31/2027	11 Years	11,426.00	2.10%	212,180.82	18.57	24.79	74.91%
Total 2027 Expirations						60,394.00	11.08%	1,192,960.43	19.75	24.64	80.17%
2028 Expirations											
41. Schonekas Evans McGoe	1600	Market	Speculative	7/31/2028		10,965.00	2.01%	238,339.50	21.74	25.20	86.26%
49. TIDEWATER MARINE	1630	Market	Speculative	11/30/2028		1,459.00	0.27%	31,713.39	21.74	25.20	86.26%
67. Capitol Energy Group, Inc.	2250	Market	Speculative	7/31/2028		3,370.00	0.62%	73,251.63	21.74	25.20	86.26%
81. Alliant Insurance	2650	Market	Speculative	9/30/2028		6,333.00	1.16%	137,656.55	21.74	25.20	86.26%
88. Beau Box New Orleans	3025	Market	Speculative	11/30/2028		5,877.00	1.08%	129,448.02	22.03	25.53	86.26%
93. Kean Miller	3400	Base	Contract	10/31/2028	11 Years 10 Months	16,731.00	3.07%	384,813.00	23.00	25.53	90.07%
94. Kean Miller	3600	Base	Contract	10/31/2028	11 Years 10 Months	13,875.00	2.55%	319,125.00	23.00	25.53	90.07%
95. Blanchard and Company - STRME	STRME	Market	Speculative	11/30/2028		1,071.00	0.20%	13,911.29	12.99	15.06	86.26%
2. Office Space (1 of 9)	Auto Lease-Up	Market	Speculative	8/31/2028		3,555.00	0.65%	76,242.56	21.45	24.86	86.26%
4. Office Space (2 of 9)	Auto Lease-Up	Market	Speculative	11/30/2028		3,555.00	0.65%	76,242.56	21.45	24.86	86.26%
20. Office Space 2nd Tier (1 of 8)	Auto Lease-Up	Market	Speculative	8/31/2028		4,790.00	0.88%	104,117.30	21.74	25.20	86.26%
22. Office Space 2nd Tier (2 of 8)	Auto Lease-Up	Market	Speculative	11/30/2028		4,790.00	0.88%	104,117.30	21.74	25.20	86.26%
36. Office Space 3rd Tier (1 of 9)	Auto Lease-Up	Market	Speculative	8/31/2028		4,777.00	0.88%	105,219.19	22.03	25.53	86.26%
38. Office Space 3rd Tier (2 of 9)	Auto Lease-Up	Market	Speculative	11/30/2028		4,777.00	0.88%	105,219.19	22.03	25.53	86.26%
Total 2028 Expirations						85,925.00	15.76%	1,899,416.49	22.11	25.22	87.64%
Final Totals					5 Years 9 Months 19 Days	763,504.00	140.05%	14,849,701.43	19.45	22.18	87.67%

* Results displayed are based on Forecast data only

* Weighted Average Leases expiration is calculated as of report date, and weighted by area. Remaining term includes contract renewals

Lease Expiration Report

Effective Rent/SF	Effective Market/SF	Effective Rent vs. Effective Market Rent
21.04	25.58	82.23%
21.04	25.58	82.23%
22.62	25.12	90.03%
25.21	25.41	99.19%
25.31	25.98	97.42%
25.21	25.41	99.19%
25.26	25.46	99.21%
25.60	26.33	97.24%
25.02	26.30	95.12%
25.02	26.30	95.12%
14.44	15.54	92.93%
24.94	25.10	99.38%
25.02	25.64	97.60%
25.23	25.44	99.20%
25.31	25.98	97.42%
25.52	25.77	99.03%
25.60	26.33	97.24%
25.07	25.78	97.22%
21.55	22.53	95.63%

Present Value Report

909 POYDRAS (Amounts in USD)

2/22/2018 3:09:37 PM

Valuation Date: Jan, 2018

Discount Method: Annual

Analysis	Period	Cash Flow	P.V. of	P.V. of	P.V. of	P.V. of	P.V. of	NOI to
Period	Ending	<u>Before Debt Service</u>	<u>@ 7.25 %</u>	<u>@ 7.75 %</u>	<u>@ 8.25 %</u>	<u>@ 8.75 %</u>	<u>@ 9.25 %</u>	<u>Book Value</u>
Year 1	Dec-2018	3,198,061	2,981,875	2,968,038	2,954,329	2,940,746	2,927,287	310.39%
Year 2	Dec-2019	4,284,883	3,725,155	3,690,663	3,656,648	3,623,101	3,590,013	198.04%
Year 3	Dec-2020	4,317,597	3,499,856	3,451,360	3,403,756	3,357,023	3,311,142	136.39%
Year 4	Dec-2021	5,706,921	4,313,329	4,233,823	4,156,140	4,080,231	4,006,047	135.28%
Year 5	Dec-2022	5,877,032	4,141,633	4,046,427	3,953,835	3,863,774	3,776,164	127.46%
Year 6	Dec-2023	4,879,039	3,205,904	3,117,674	3,032,263	2,949,570	2,869,496	98.58%
Year 7	Dec-2024	4,856,426	2,975,333	2,880,022	2,788,184	2,699,678	2,614,368	79.90%
Year 8	Dec-2025	4,850,861	2,771,025	2,669,812	2,572,738	2,479,618	2,390,272	68.53%
Year 9	Dec-2026	6,009,124	3,200,630	3,069,415	2,944,151	2,824,540	2,710,305	66.90%
Year 10	Dec-2027	6,602,296	3,278,854	3,129,841	2,988,243	2,853,661	2,725,716	65.71%
Totals		50,582,241	34,093,595	33,257,075	32,450,288	31,671,942	30,920,810	
Property Resale @ 7.75 % Cap Rate		97,276,741	48,309,885	46,114,364	44,028,102	42,045,193	40,160,079	
Total Unleveraged Present Value			82,403,479	79,371,439	76,478,389	73,717,135	71,080,888	

Percentage Value Distribution

Income	41.37%	41.90%	42.43%	42.96%	43.50%
Net Sale Price	58.63%	58.10%	57.57%	57.04%	56.50%
	100.00%	100.00%	100.00%	100.00%	100.00%

* Results displayed are based on Forecast data only

Cash Flow Report

909 POYDRAS (Amounts in USD)

Jan, 2018 through Dec, 2028

2/22/2018 3:09:48 PM

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
For the Years Ending	Year 1 <u>Dec-2018</u>	Year 2 <u>Dec-2019</u>	Year 3 <u>Dec-2020</u>	Year 4 <u>Dec-2021</u>	Year 5 <u>Dec-2022</u>	Year 6 <u>Dec-2023</u>	Year 7 <u>Dec-2024</u>	Year 8 <u>Dec-2025</u>	Year 9 <u>Dec-2026</u>	Year 10 <u>Dec-2027</u>	Year 11 <u>Dec-2028</u>
Rental Revenue											
Potential Base Rent	10,030,119	10,190,559	10,353,347	10,625,819	10,860,073	11,155,606	11,549,367	11,889,848	12,297,174	12,636,979	13,107,644
Absorption & Turnover Vacancy	-1,487,896	-537,903	-318,372	-155,305	0	-419,824	-362,593	-449,969	-296,883	-114,991	-453,731
Free Rent	-400,988	-369,552	-455,860	-174,150	-148,789	-393,981	-720,194	-673,217	-405,801	-275,066	-364,282
Scheduled Base Rent	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631
Total Rental Revenue	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631
Other Tenant Revenue											
Total Expense Recoveries	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683
Total Other Tenant Revenue	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683
Total Tenant Revenue	8,175,054	9,402,197	9,765,833	10,595,479	11,128,753	10,829,362	10,919,686	11,217,565	12,064,232	12,805,635	12,886,314
Other Revenue											
Parking Income	850,000	875,500	901,765	928,818	956,682	985,383	1,014,944	1,045,393	1,076,755	1,109,057	1,142,329
Other Rental/Sales Income	74,000	76,220	78,507	80,862	83,288	85,786	88,360	91,011	93,741	96,553	99,450
Total Other Revenue	924,000	951,720	980,272	1,009,680	1,039,970	1,071,169	1,103,304	1,136,403	1,170,496	1,205,610	1,241,779
Potential Gross Revenue	9,099,054	10,353,917	10,746,105	11,605,158	12,168,723	11,900,531	12,022,990	12,353,969	13,234,727	14,011,245	14,128,093
Vacancy & Credit Loss											
Vacancy Allowance	0	-224,524	-456,141	-667,927	-851,811	-442,601	-504,398	-446,306	-650,330	-873,845	-566,997
Credit Loss	-90,991	-103,539	-107,461	-116,052	-121,687	-119,005	-120,230	-123,540	-132,347	-140,112	-141,281
Total Vacancy & Credit Loss	-90,991	-328,063	-563,602	-783,979	-973,498	-561,606	-624,628	-569,846	-782,677	-1,013,958	-708,278
Effective Gross Revenue	9,008,064	10,025,854	10,182,503	10,821,180	11,195,225	11,338,925	11,398,362	11,784,123	12,452,050	12,997,288	13,419,815
Operating Expenses											
R & M	436,126	449,209	462,686	476,566	490,863	505,589	520,757	536,379	552,471	569,045	586,116
Janitorial	517,899	533,436	549,439	565,922	582,900	600,387	618,399	636,951	656,059	675,741	696,013
Utilities	926,767	954,570	983,207	1,012,703	1,043,084	1,074,377	1,106,608	1,139,806	1,174,001	1,209,221	1,245,497
CAM	16,355	16,845	17,351	17,871	18,407	18,960	19,528	20,114	20,718	21,339	21,979
Security	212,611	218,990	225,559	232,326	239,296	246,475	253,869	261,485	269,330	277,409	285,732
Payroll	626,931	645,738	665,111	685,064	705,616	726,784	748,588	771,045	794,177	818,002	842,542
G & A	163,547	168,454	173,507	178,712	184,074	189,596	195,284	201,142	207,177	213,392	219,794
Management Fee	270,242	300,776	305,475	324,635	335,857	340,168	341,951	353,524	373,562	389,919	402,594
Real Estate Taxes	792,357	816,128	840,612	865,830	891,805	918,559	946,116	974,499	1,003,734	1,033,846	1,064,862

Cash Flow Report

Forecast

Total

124,696,535

-4,597,468

-4,381,880

115,717,187

115,717,187

4,072,923

4,072,923

119,790,110

10,886,626

947,777

11,834,403

131,624,513

-5,684,880

-1,316,245

-7,001,125

124,623,389

5,585,808

6,633,147

11,869,841

209,468

2,723,081

8,029,598

2,094,678

3,738,702

10,148,347

Cash Flow Report

909 POYDRAS (Amounts in USD)

Jan, 2018 through Dec, 2028

2/22/2018 3:09:48 PM

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
For the Years Ending	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>	<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
Insurance	327,094	336,907	347,014	357,425	368,147	379,192	390,568	402,285	414,353	426,784	439,587
Total Operating Expenses	4,289,928	4,441,053	4,569,960	4,717,055	4,860,049	5,000,086	5,141,667	5,297,231	5,465,580	5,634,698	5,804,717
Net Operating Income	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	7,362,590	7,615,098
Leasing Costs											
Tenant Improvements	1,100,760	930,212	895,864	210,232	253,933	1,008,290	962,530	1,138,804	636,010	468,434	709,394
Leasing Commissions	310,283	257,405	283,410	67,830	81,495	325,112	307,550	363,131	203,218	149,598	227,253
Total Leasing Costs	1,411,043	1,187,616	1,179,274	278,062	335,427	1,333,402	1,270,080	1,501,935	839,228	618,032	936,647
Capital Expenditures											
Capital Reserves	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529
Total Capital Expenditures	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529
Total Leasing & Capital Costs	1,520,074	1,299,919	1,294,945	397,204	458,143	1,459,800	1,400,270	1,636,030	977,346	760,293	1,083,176
Cash Flow Before Debt Service	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922
Cash Flow Available for Distribution	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922

Cash Flow Report

Forecast

Total
4,189,356
55,222,024
69,401,364

8,314,464
2,576,285
10,890,749

1,396,452
1,396,452

12,287,201

57,114,163

57,114,163

Present Value As Of Report

909 POYDRAS (Amounts in USD)

2/22/2018 3:10:02 PM

Secondary PV/IRR Date: Jan, 2018

Discount Method: Annual

Analysis	Period	Cash Flow	P.V. of	P.V. of	P.V. of	P.V. of	P.V. of	NOI to
Period	Ending	Before Debt Service	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Cash Flow	Book
			@ 7.25 %	@ 7.75 %	@ 8.25 %	@ 8.75 %	@ 9.25 %	Value
Year 1	Dec-2018	3,198,061	2,981,875	2,968,038	2,954,329	2,940,746	2,927,287	310.39%
Year 2	Dec-2019	4,284,883	3,725,155	3,690,663	3,656,648	3,623,101	3,590,013	198.04%
Year 3	Dec-2020	4,317,597	3,499,856	3,451,360	3,403,756	3,357,023	3,311,142	136.39%
Year 4	Dec-2021	5,706,921	4,313,329	4,233,823	4,156,140	4,080,231	4,006,047	135.28%
Year 5	Dec-2022	5,877,032	4,141,633	4,046,427	3,953,835	3,863,774	3,776,164	127.46%
Year 6	Dec-2023	4,879,039	3,205,904	3,117,674	3,032,263	2,949,570	2,869,496	98.58%
Year 7	Dec-2024	4,856,426	2,975,333	2,880,022	2,788,184	2,699,678	2,614,368	79.90%
Year 8	Dec-2025	4,850,861	2,771,025	2,669,812	2,572,738	2,479,618	2,390,272	68.53%
Year 9	Dec-2026	6,009,124	3,200,630	3,069,415	2,944,151	2,824,540	2,710,305	66.90%
Year 10	Dec-2027	6,602,296	3,278,854	3,129,841	2,988,243	2,853,661	2,725,716	65.71%
Totals		50,582,241	34,093,595	33,257,075	32,450,288	31,671,942	30,920,810	
Property Resale @ 7.75 % Cap Rate		97,276,741	48,309,885	46,114,364	44,028,102	42,045,193	40,160,079	
Total Unleveraged Present Value			82,403,479	79,371,439	76,478,389	73,717,135	71,080,888	

Percentage Value Distribution

Income	41.37%	41.90%	42.43%	42.96%	43.50%
Net Sale Price	58.63%	58.10%	57.57%	57.04%	56.50%
	100.00%	100.00%	100.00%	100.00%	100.00%

* Results displayed are based on Forecast data only

Cash Flow As Of Report

909 POYDRAS (Amounts in USD)

Jan, 2018 through Dec, 2028

2/22/2018 3:10:15 PM

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
For the Years Ending	Year 1 <u>Dec-2018</u>	Year 2 <u>Dec-2019</u>	Year 3 <u>Dec-2020</u>	Year 4 <u>Dec-2021</u>	Year 5 <u>Dec-2022</u>	Year 6 <u>Dec-2023</u>	Year 7 <u>Dec-2024</u>	Year 8 <u>Dec-2025</u>	Year 9 <u>Dec-2026</u>	Year 10 <u>Dec-2027</u>	Year 11 <u>Dec-2028</u>
Rental Revenue											
Potential Base Rent	10,030,119	10,190,559	10,353,347	10,625,819	10,860,073	11,155,606	11,549,367	11,889,848	12,297,174	12,636,979	13,107,644
Absorption & Turnover Vacancy	-1,487,896	-537,903	-318,372	-155,305	0	-419,824	-362,593	-449,969	-296,883	-114,991	-453,731
Free Rent	-400,988	-369,552	-455,860	-174,150	-148,789	-393,981	-720,194	-673,217	-405,801	-275,066	-364,282
Scheduled Base Rent	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631
Total Rental Revenue	8,141,235	9,283,104	9,579,114	10,296,364	10,711,285	10,341,800	10,466,581	10,766,662	11,594,491	12,246,922	12,289,631
Other Tenant Revenue											
Total Expense Recoveries	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683
Total Other Tenant Revenue	33,820	119,093	186,719	299,114	417,468	487,562	453,105	450,903	469,741	558,713	596,683
Total Tenant Revenue	8,175,054	9,402,197	9,765,833	10,595,479	11,128,753	10,829,362	10,919,686	11,217,565	12,064,232	12,805,635	12,886,314
Other Revenue											
Parking Income	850,000	875,500	901,765	928,818	956,682	985,383	1,014,944	1,045,393	1,076,755	1,109,057	1,142,329
Other Rental/Sales Income	74,000	76,220	78,507	80,862	83,288	85,786	88,360	91,011	93,741	96,553	99,450
Total Other Revenue	924,000	951,720	980,272	1,009,680	1,039,970	1,071,169	1,103,304	1,136,403	1,170,496	1,205,610	1,241,779
Potential Gross Revenue	9,099,054	10,353,917	10,746,105	11,605,158	12,168,723	11,900,531	12,022,990	12,353,969	13,234,727	14,011,245	14,128,093
Vacancy & Credit Loss											
Vacancy Allowance	0	-224,524	-456,141	-667,927	-851,811	-442,601	-504,398	-446,306	-650,330	-873,845	-566,997
Credit Loss	-90,991	-103,539	-107,461	-116,052	-121,687	-119,005	-120,230	-123,540	-132,347	-140,112	-141,281
Total Vacancy & Credit Loss	-90,991	-328,063	-563,602	-783,979	-973,498	-561,606	-624,628	-569,846	-782,677	-1,013,958	-708,278
Effective Gross Revenue	9,008,064	10,025,854	10,182,503	10,821,180	11,195,225	11,338,925	11,398,362	11,784,123	12,452,050	12,997,288	13,419,815
Operating Expenses											
R & M	436,126	449,209	462,686	476,566	490,863	505,589	520,757	536,379	552,471	569,045	586,116
Janitorial	517,899	533,436	549,439	565,922	582,900	600,387	618,399	636,951	656,059	675,741	696,013
Utilities	926,767	954,570	983,207	1,012,703	1,043,084	1,074,377	1,106,608	1,139,806	1,174,001	1,209,221	1,245,497
CAM	16,355	16,845	17,351	17,871	18,407	18,960	19,528	20,114	20,718	21,339	21,979
Security	212,611	218,990	225,559	232,326	239,296	246,475	253,869	261,485	269,330	277,409	285,732
Payroll	626,931	645,738	665,111	685,064	705,616	726,784	748,588	771,045	794,177	818,002	842,542
G & A	163,547	168,454	173,507	178,712	184,074	189,596	195,284	201,142	207,177	213,392	219,794
Management Fee	270,242	300,776	305,475	324,635	335,857	340,168	341,951	353,524	373,562	389,919	402,594
Real Estate Taxes	792,357	816,128	840,612	865,830	891,805	918,559	946,116	974,499	1,003,734	1,033,846	1,064,862

Cash Flow As Of Report

Forecast

Total

124,696,535

-4,597,468

-4,381,880

115,717,187

115,717,187

4,072,923

4,072,923

119,790,110

10,886,626

947,777

11,834,403

131,624,513

-5,684,880

-1,316,245

-7,001,125

124,623,389

5,585,808

6,633,147

11,869,841

209,468

2,723,081

8,029,598

2,094,678

3,738,702

10,148,347

Cash Flow As Of Report

909 POYDRAS (Amounts in USD)

Jan, 2018 through Dec, 2028

2/22/2018 3:10:15 PM

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
For the Years Ending	<u>Dec-2018</u>	<u>Dec-2019</u>	<u>Dec-2020</u>	<u>Dec-2021</u>	<u>Dec-2022</u>	<u>Dec-2023</u>	<u>Dec-2024</u>	<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>
Insurance	327,094	336,907	347,014	357,425	368,147	379,192	390,568	402,285	414,353	426,784	439,587
Total Operating Expenses	4,289,928	4,441,053	4,569,960	4,717,055	4,860,049	5,000,086	5,141,667	5,297,231	5,465,580	5,634,698	5,804,717
Net Operating Income	4,718,136	5,584,801	5,612,543	6,104,125	6,335,176	6,338,839	6,256,695	6,486,892	6,986,470	7,362,590	7,615,098
Leasing Costs											
Tenant Improvements	1,100,760	930,212	895,864	210,232	253,933	1,008,290	962,530	1,138,804	636,010	468,434	709,394
Leasing Commissions	310,283	257,405	283,410	67,830	81,495	325,112	307,550	363,131	203,218	149,598	227,253
Total Leasing Costs	1,411,043	1,187,616	1,179,274	278,062	335,427	1,333,402	1,270,080	1,501,935	839,228	618,032	936,647
Capital Expenditures											
Capital Reserves	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529
Total Capital Expenditures	109,031	112,302	115,671	119,142	122,716	126,397	130,189	134,095	138,118	142,261	146,529
Total Leasing & Capital Costs	1,520,074	1,299,919	1,294,945	397,204	458,143	1,459,800	1,400,270	1,636,030	977,346	760,293	1,083,176
Cash Flow Before Debt Service	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922
Cash Flow Available for Distribution	3,198,061	4,284,883	4,317,597	5,706,921	5,877,032	4,879,039	4,856,426	4,850,861	6,009,124	6,602,296	6,531,922

Cash Flow As Of Report

Forecast

Total
4,189,356
55,222,024
69,401,364

8,314,464
2,576,285
10,890,749

1,396,452
1,396,452

12,287,201

57,114,163

57,114,163

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
1. FIRST BANK AND TRUST Suite: 0100 4/1/2006 - 3/31/2026 20 Years Freehold	10,188 1.87%	Base Contract Office 1-13 Office	0.00 0 0.00 0 188,478	Jul-2014 Apr-2016 Apr-2021	14.25 16.75 17.75	1.19 1.40 1.48	None	None	
1. FIRST BANK AND TRUST Suite: 0100 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	10,188 1.87%	Market Speculative Office 1-13 Office	23.44 238,758 1.95 19,897 238,758	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	23.94 24.44 24.94 25.44 25.94	1.99 2.04 2.08 2.12 2.16	None	Jun-2026	3 Months
3. City Green Suite: 0125 3/1/2011 - 8/31/2019 8 Years 6 Months Freehold	2,130 0.39%	Base Contract Office 1-13 Office	17.13 36,487 1.43 3,041 39,405	Sep-2017	19.13	1.59	None	None	
3. City Green Suite: 0125 11/1/2019 - 1/31/2025 5 Years 3 Months Freehold	2,130 0.39%	Market Speculative Office 1-13 Office	19.06 40,587 1.59 3,382 40,587	Nov-2020 Nov-2021 Nov-2022 Nov-2023 Nov-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Nov-2019	3 Months
3. City Green Suite: 0125 4/1/2025 - 6/30/2030 5 Years 3 Months Freehold	2,130 0.39%	Market Speculative Office 1-13 Office	22.75 48,463 1.90 4,039 48,463	Apr-2026 Apr-2027 Apr-2028 Apr-2029 Apr-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Apr-2025	3 Months
5. Yong Cheng Suite: 0130 9/1/2005 - 8/31/2020 15 Years	80 0.01%	Base Contract Retail Office	71.25 5,700 5.94 475				None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2006 BY FB	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.13 103,247	3.19 32,529			Market - 70.00 %
N/A		2011 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.24 17,551	2.62 5,588			Market - 70.00 %
N/A		New BY	9.84 20,957	3.10 6,612			Market - 70.00 %
N/A		Tax Only	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Freehold			5,600						
5. Yong Cheng Suite: 0130 11/1/2020 - 1/31/2026 5 Years 3 Months Freehold	80 0.01%	Market Speculative Retail Office	74.26 5,941 6.19 495 5,941	Nov-2021 Nov-2022 Nov-2023 Nov-2024 Nov-2025	74.76 75.26 75.76 76.26 76.76	6.23 6.27 6.31 6.36 6.40	None	Nov-2020	3 Months
5. Yong Cheng Suite: 0130 4/1/2026 - 6/30/2031 5 Years 3 Months Freehold	80 0.01%	Market Speculative Retail Office	88.67 7,094 7.39 591 7,094	Apr-2027 Apr-2028 Apr-2029 Apr-2030 Apr-2031	89.17 89.67 90.17 90.67 91.17	7.43 7.47 7.51 7.56 7.60	None	Apr-2026	3 Months
7. Blanchard and Company Suite: 0140 1/1/2011 - 9/30/2023 12 Years 9 Months Freehold	1,191 0.22%	Base Contract Office 1-13 Office	17.00 20,247 1.42 1,687 22,034	Oct-2018	18.00	1.50	None	None	
7. Blanchard and Company Suite: 0140 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	1,191 0.22%	Market Speculative Office 1-13 Office	21.45 25,543 1.79 2,129 25,543	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	21.95 22.45 22.95 23.45 23.95	1.83 1.87 1.91 1.95 2.00	None	Dec-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 679	9.80 784			Market - 70.00 %
N/A		New BY	10.13 811	11.67 934			Market - 70.00 %
N/A		2015 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 11,046	2.93 3,495			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
9. Blanchard and Company Suite: 0150 10/1/1999 - 9/30/2023 24 Years Freehold	3,310 0.61%	Base Contract Office 1-13 Office	17.00 56,270 1.42 4,689 61,235	Oct-2018	18.00	1.50	None	None	
9. Blanchard and Company Suite: 0150 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	3,310 0.61%	Market Speculative Office 1-13 Office	21.45 70,988 1.79 5,916 70,988	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	21.95 22.45 22.95 23.45 23.95	1.83 1.87 1.91 1.95 2.00	None	Dec-2023	3 Months
11. McCranie Sistrunk Anzelmo Suite: 1000 2/1/2013 - 7/31/2024 11 Years 6 Months Freehold	14,490 2.66%	Base Contract Office 1-13 Office	16.75 242,708 1.40 20,226 268,065	May-2016 Jul-2018	17.00 18.75	1.42 1.56	None	None	
11. McCranie Sistrunk Anzelmo Suite: 1000 10/1/2024 - 12/31/2029 5 Years 3 Months Freehold	14,490 2.66%	Market Speculative Office 1-13 Office	22.09 320,084 1.84 26,674 320,084	Oct-2025 Oct-2026 Oct-2027 Oct-2028 Oct-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Oct-2024	3 Months
13. Scott Vicknair Suite: 1100 6/1/2016 - 10/31/2023 7 Years 5 Months Freehold	5,523 1.01%	Base Contract Office 1-13 Office	17.25 95,272 1.44 7,939 102,176	Nov-2019 Nov-2021	18.00 18.75	1.50 1.56	None	None	
13. Scott Vicknair Suite: 1100 1/1/2024 - 3/31/2029	5,523 1.01%	Market Speculative Office 1-13	22.09 122,003 1.84	Jan-2025 Jan-2026 Jan-2027	22.59 23.09 23.59	1.88 1.92 1.97	None	Jan-2024	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2015 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 30,698	2.93 9,713			Market - 70.00 %
N/A		2013 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.55 138,415	3.02 43,730			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.55 52,758	3.02 16,668			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	10,167 122,003	Jan-2028 Jan-2029	24.09 24.59	2.01 2.05			
15. ROBERT HALF Suite: 1150 11/1/2003 - 5/31/2021 17 Years 7 Months Freehold	4,701 0.86%	Base Contract Office 1-13 Office	18.25 85,793 1.52 7,149 86,969	Jun-2018 Jun-2019 Jun-2020	18.75 19.25 19.75	1.56 1.60 1.65	None	None	
15. ROBERT HALF Suite: 1150 8/1/2021 - 10/31/2026 5 Years 3 Months Freehold	4,701 0.86%	Market Speculative Office 1-13 Office	20.22 95,033 1.68 7,919 95,033	Aug-2022 Aug-2023 Aug-2024 Aug-2025 Aug-2026	20.72 21.22 21.72 22.22 22.72	1.73 1.77 1.81 1.85 1.89	None	Aug-2021	3 Months
15. ROBERT HALF Suite: 1150 1/1/2027 - 3/31/2032 5 Years 3 Months Freehold	4,701 0.86%	Market Speculative Office 1-13 Office	24.14 113,474 2.01 9,456 113,474	Jan-2028 Jan-2029 Jan-2030 Jan-2031 Jan-2032	24.64 25.14 25.64 26.14 26.64	2.05 2.09 2.14 2.18 2.22	None	Jan-2027	3 Months
17. Vanir Construction Management Suite: 1175 8/1/2012 - 11/30/2018 6 Years 4 Months Freehold	1,815 0.33%	Base Contract Office 1-13 Office	17.10 31,032 1.42 2,586 33,578	Oct-2013 Nov-2014 Nov-2015 Jun-2017	17.60 18.10 18.25 18.75	1.47 1.51 1.52 1.56	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.74 41,095	2.77 13,042			Market - 70.00 %
N/A		New BY	10.44 49,070	3.28 15,439			Market - 70.00 %
N/A		2012 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
17. Vanir Construction Management Suite: 1175 2/1/2019 - 4/30/2024 5 Years 3 Months Freehold	1,815 0.33%	Market Speculative Office 1-13 Office Freehold	19.06 34,585 1.59 2,882 34,585	Feb-2020 Feb-2021 Feb-2022 Feb-2023 Feb-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Feb-2019	3 Months
17. Vanir Construction Management Suite: 1175 7/1/2024 - 9/30/2029 5 Years 3 Months Freehold	1,815 0.33%	Market Speculative Office 1-13 Office Freehold	22.09 40,093 1.84 3,341 40,093	Jul-2025 Jul-2026 Jul-2027 Jul-2028 Jul-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Jul-2024	3 Months
19. Jacobs Engineering Group Suite: 1200 12/1/2013 - 11/30/2019 6 Years Freehold	13,115 2.41%	Base Contract Office 1-13 Office Freehold	18.50 242,628 1.54 20,219 242,628				None	None	
19. Jacobs Engineering Group Suite: 1200 2/1/2020 - 4/30/2025 5 Years 3 Months Freehold	13,115 2.41%	Market Speculative Office 1-13 Office Freehold	19.63 257,404 1.64 21,450 257,404	Feb-2021 Feb-2022 Feb-2023 Feb-2024 Feb-2025	20.13 20.63 21.13 21.63 22.13	1.68 1.72 1.76 1.80 1.84	None	Feb-2020	3 Months
19. Jacobs Engineering Group Suite: 1200 7/1/2025 - 9/30/2030 5 Years 3 Months Freehold	13,115 2.41%	Market Speculative Office 1-13 Office Freehold	22.75 298,401 1.90 24,867 298,401	Jul-2026 Jul-2027 Jul-2028 Jul-2029 Jul-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Jul-2025	3 Months
21. CSRS Suite: 1240 7/1/2009 - 11/30/2019	1,437 0.26%	Base Contract Office 1-13	18.50 26,585 1.54				None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.24 14,956	2.62 4,761			Market - 70.00 %
N/A		New BY	9.55 17,338	3.02 5,478			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 111,310	2.70 35,381			Market - 70.00 %
N/A		New BY	9.84 129,038	3.10 40,710			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
10 Years 5 Months Freehold		Office	2,215 26,585						
21. CSRS Suite: 1240 2/1/2020 - 4/30/2025 5 Years 3 Months Freehold	1,437 0.26%	Market Speculative Office 1-13 Office Office	19.63 28,203 1.64 2,350 28,203	Feb-2021 Feb-2022 Feb-2023 Feb-2024 Feb-2025	20.13 20.63 21.13 21.63 22.13	1.68 1.72 1.76 1.80 1.84	None	Feb-2020	3 Months
21. CSRS Suite: 1240 7/1/2025 - 9/30/2030 5 Years 3 Months Freehold	1,437 0.26%	Market Speculative Office 1-13 Office Office	22.75 32,696 1.90 2,725 32,696	Jul-2026 Jul-2027 Jul-2028 Jul-2029 Jul-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Jul-2025	3 Months
23. WEILER & REES Suite: 1250 9/1/2008 - 4/30/2020 11 Years 8 Months Freehold	2,519 0.46%	Base Contract Office 1-13 Office Office	17.25 43,453 1.44 3,621 46,602	Mar-2015 Mar-2016 Nov-2018	17.75 18.25 18.75	1.48 1.52 1.56	None	None	
23. WEILER & REES Suite: 1250 7/1/2020 - 9/30/2025 5 Years 3 Months Freehold	2,519 0.46%	Market Speculative Office 1-13 Office Office	19.63 49,440 1.64 4,120 49,440	Jul-2021 Jul-2022 Jul-2023 Jul-2024 Jul-2025	20.13 20.63 21.13 21.63 22.13	1.68 1.72 1.76 1.80 1.84	None	Jul-2020	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 12,196	2.70 3,877			Market - 70.00 %
N/A		New BY	9.84 14,139	3.10 4,461			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 21,379	2.70 6,796			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
23. WEILER & REES Suite: 1250 12/1/2025 - 2/28/2031 5 Years 3 Months Freehold	2,519 0.46%	Market Speculative Office 1-13 Office Freehold	22.75 57,314 1.90 4,776 57,314	Dec-2026 Dec-2027 Dec-2028 Dec-2029 Dec-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Dec-2025	3 Months
25. Raymond James & Associates Suite: 1300 3/1/1994 - 12/31/2019 25 Years 10 Months Freehold	16,100 2.95%	Base Contract Office 1-13 Office Freehold	0.00 0 0.00 0 297,850	Dec-2012 Jan-2016	18.25 19.50	1.52 1.63	None	None	
25. Raymond James & Associates Suite: 1300 3/1/2020 - 5/31/2025 5 Years 3 Months Freehold	16,100 2.95%	Market Speculative Office 1-13 Office Freehold	19.63 315,989 1.64 26,332 315,989	Mar-2021 Mar-2022 Mar-2023 Mar-2024 Mar-2025	20.13 20.63 21.13 21.63 22.13	1.68 1.72 1.76 1.80 1.84	None	Mar-2020	3 Months
25. Raymond James & Associates Suite: 1300 8/1/2025 - 10/31/2030 5 Years 3 Months Freehold	16,100 2.95%	Market Speculative Office 1-13 Office Freehold	22.75 366,318 1.90 30,526 366,318	Aug-2026 Aug-2027 Aug-2028 Aug-2029 Aug-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Aug-2025	3 Months
27. Middleberg Riddle Suite: 1400 12/1/2013 - 10/31/2021 7 Years 11 Months Freehold	10,479 1.92%	Base Contract Office 14-26 Office Freehold	16.75 175,523 1.40 14,627 196,481	Sep-2016 Oct-2018	17.50 18.00	1.46 1.50	None	None	
27. Middleberg Riddle Suite: 1400 1/1/2022 - 3/31/2027	10,479 1.92%	Market Speculative Office 14-26	21.10 221,141 1.76	Jan-2023 Jan-2024 Jan-2025	21.60 22.10 22.60	1.80 1.84 1.88	None	Jan-2022	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.84 24,784	3.10 7,819			Market - 70.00 %
N/A		2010 BY RJ	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 136,644	2.70 43,433			Market - 70.00 %
N/A		New BY	9.84 158,408	3.10 49,976			Market - 70.00 %
N/A		2010 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.00 94,354	2.89 30,281			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	18,428 221,141	Jan-2026 Jan-2027	23.10 23.60	1.93 1.97			
27. Middleberg Riddle Suite: 1400 6/1/2027 - 8/31/2032 5 Years 3 Months Freehold	10,479 1.92%	Market Speculative Office 14-26 Office	24.46 256,363 2.04 21,364 256,363	Jun-2028 Jun-2029 Jun-2030 Jun-2031 Jun-2032	24.96 25.46 25.96 26.46 26.96	2.08 2.12 2.16 2.21 2.25	None	Jun-2027	3 Months
29. Resolvit, LLC Suite: 1425 9/1/2015 - 9/30/2020 5 Years 1 Month Freehold	3,363 0.62%	Base Contract Office 14-26 Office	18.50 62,216 1.54 5,185 63,056	Oct-2017 Oct-2018	19.00 19.50	1.58 1.63	None	None	
29. Resolvit, LLC Suite: 1425 12/1/2020 - 2/28/2026 5 Years 3 Months Freehold	3,363 0.62%	Market Speculative Office 14-26 Office	19.89 66,896 1.66 5,575 66,896	Dec-2021 Dec-2022 Dec-2023 Dec-2024 Dec-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Dec-2020	3 Months
29. Resolvit, LLC Suite: 1425 5/1/2026 - 7/31/2031 5 Years 3 Months Freehold	3,363 0.62%	Market Speculative Office 14-26 Office	23.75 79,878 1.98 6,656 79,878	May-2027 May-2028 May-2029 May-2030 May-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	May-2026	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	10.44 109,382	3.33 34,860			Market - 70.00 %
N/A		Base Year Stop	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 28,542	2.73 9,188			Market - 70.00 %
N/A		New BY	10.13 34,081	3.23 10,876			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
31. Hertz - Property Management Suite: 1475 9/1/2017 - 12/31/2050 33 Years 4 Months Freehold	3,470 0.64%	Base Contract Office 14-26 Office	28.71 99,624 2.39 8,302 65,063				None	None	
33. Breazeale, Sachse & Wilson Suite: 1500 6/1/1998 - 8/31/2018 20 Years 3 Months Freehold	8,620 1.58%	Base Contract Office 14-26 Office	0.00 0 0.00 0 161,625	May-2013 Sep-2015 Sep-2016	17.50 18.00 18.50	1.46 1.50 1.54	None	None	
33. Breazeale, Sachse & Wilson Suite: 1500 11/1/2018 - 1/31/2024 5 Years 3 Months Freehold	8,620 1.58%	Market Speculative Office 14-26 Office	18.75 161,625 1.56 13,469 161,625	Nov-2019 Nov-2020 Nov-2021 Nov-2022 Nov-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Nov-2018	3 Months
33. Breazeale, Sachse & Wilson Suite: 1500 4/1/2024 - 6/30/2029 5 Years 3 Months Freehold	8,620 1.58%	Market Speculative Office 14-26 Office	22.39 192,989 1.87 16,082 192,989	Apr-2025 Apr-2026 Apr-2027 Apr-2028 Apr-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Apr-2024	3 Months
35. Breazeale, Sachse & Wilson Suite: 1575 2/1/2012 - 8/31/2018 6 Years 7 Months Freehold	3,389 0.62%	Base Contract Office 14-26 Office	0.00 0 0.00 0 63,544	May-2013 Sep-2015 Sep-2016	17.50 18.00 18.50	1.46 1.50 1.54	None	None	
35. Breazeale, Sachse & Wilson Suite: 1575 11/1/2018 - 1/31/2024	3,389 0.62%	Market Speculative Office 14-26	18.75 63,544 1.56	Nov-2019 Nov-2020 Nov-2021	19.25 19.75 20.25	1.60 1.65 1.69	None	Nov-2018	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		None N/A	0.00 0	0.00 0			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 68,960	2.58 22,272			Market - 70.00 %
N/A		New BY	9.55 82,342	3.06 26,349			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 27,112	2.58 8,756			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	5,295 63,544	Nov-2022 Nov-2023	20.75 21.25	1.73 1.77			
35. Breazeale, Sachse & Wilson Suite: 1575 4/1/2024 - 6/30/2029 5 Years 3 Months Freehold	3,389 0.62%	Market Speculative Office 14-26 Office	22.39 75,875 1.87 6,323 75,875	Apr-2025 Apr-2026 Apr-2027 Apr-2028 Apr-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Apr-2024	3 Months
37. Coker & Palmer, Inc. Suite: 1580 6/1/2015 - 6/30/2018 3 Years 1 Month Freehold	2,019 0.37%	Base Contract Office 14-26 Office	18.00 36,342 1.50 3,029 37,856	Jul-2016	18.50	1.54	None	None	
37. Coker & Palmer, Inc. Suite: 1580 9/1/2018 - 11/30/2023 5 Years 3 Months Freehold	2,019 0.37%	Market Speculative Office 14-26 Office	18.75 37,856 1.56 3,155 37,856	Sep-2019 Sep-2020 Sep-2021 Sep-2022 Sep-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Sep-2018	3 Months
37. Coker & Palmer, Inc. Suite: 1580 2/1/2024 - 4/30/2029 5 Years 3 Months Freehold	2,019 0.37%	Market Speculative Office 14-26 Office	22.39 45,202 1.87 3,767 45,202	Feb-2025 Feb-2026 Feb-2027 Feb-2028 Feb-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Feb-2024	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.55 32,373	3.06 10,359			Market - 70.00 %
N/A		Base Year Stop	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 16,152	2.58 5,217			Market - 70.00 %
N/A		New BY	9.55 19,286	3.06 6,172			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Suite Number		Lease Status	Amount Per Year						
Lease Dates		Market Leasing	Rate Per Month						
Lease Term		Lease Type	Amount Per Month						
Tenure			Rental Value Per Year						
39. Breazeale, Sachse & Wilson Suite: 1590 1/1/2010 - 8/31/2018 8 Years 8 Months Freehold	1,974 0.36%	Base Contract Office 14-26 Office Freehold	0.00 0 0.00 0 37,013	May-2013 Sep-2015 Sep-2016	17.50 18.00 18.50	1.46 1.50 1.54	None	None	
39. Breazeale, Sachse & Wilson Suite: 1590 11/1/2018 - 1/31/2024 5 Years 3 Months Freehold	1,974 0.36%	Market Speculative Office 14-26 Office Freehold	18.75 37,013 1.56 3,084 37,013	Nov-2019 Nov-2020 Nov-2021 Nov-2022 Nov-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Nov-2018	3 Months
39. Breazeale, Sachse & Wilson Suite: 1590 4/1/2024 - 6/30/2029 5 Years 3 Months Freehold	1,974 0.36%	Market Speculative Office 14-26 Office Freehold	22.39 44,195 1.87 3,683 44,195	Apr-2025 Apr-2026 Apr-2027 Apr-2028 Apr-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Apr-2024	3 Months
41. Schonekas Evans McGoe Suite: 1600 3/1/2012 - 2/28/2023 11 Years Freehold	10,965 2.01%	Base Contract Office 14-26 Office Freehold	16.50 180,923 1.38 15,077 205,594	Oct-2017	18.50	1.54	None	None	
41. Schonekas Evans McGoe Suite: 1600 5/1/2023 - 7/31/2028 5 Years 3 Months Freehold	10,965 2.01%	Market Speculative Office 14-26 Office Freehold	21.74 238,340 1.81 19,862 238,340	May-2024 May-2025 May-2026 May-2027 May-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	May-2023	3 Months
41. Schonekas Evans McGoe Suite: 1600 10/1/2028 - 12/31/2033	10,965 2.01%	Market Speculative Office 14-26	25.20 276,301 2.10	Oct-2029 Oct-2030 Oct-2031	25.70 26.20 26.70	2.14 2.18 2.22	None	Oct-2028	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2010 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 15,792	2.58 5,100			Market - 70.00 %
N/A		New BY	9.55 18,856	3.06 6,034			Market - 70.00 %
N/A		2011 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 101,692	2.97 32,588			Market - 70.00 %
N/A		New BY	10.75 117,888	3.42 37,523			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	23,025 276,301	Oct-2032 Oct-2033	27.20 27.70	2.27 2.31			
43. BOI Construction LLC Suite: 1615 9/1/2015 - 11/30/2020 5 Years 3 Months Freehold	1,013 0.19%	Base Contract Office 14-26 Office	16.00 16,208 1.33 1,351 18,994	Dec-2017 Dec-2018	16.50 17.00	1.38 1.42	None	None	
43. BOI Construction LLC Suite: 1615 2/1/2021 - 4/30/2026 5 Years 3 Months Freehold	1,013 0.19%	Market Speculative Office 14-26 Office	20.49 20,755 1.71 1,730 20,755	Feb-2022 Feb-2023 Feb-2024 Feb-2025 Feb-2026	20.99 21.49 21.99 22.49 22.99	1.75 1.79 1.83 1.87 1.92	None	Feb-2021	3 Months
43. BOI Construction LLC Suite: 1615 7/1/2026 - 9/30/2031 5 Years 3 Months Freehold	1,013 0.19%	Market Speculative Office 14-26 Office	23.75 24,061 1.98 2,005 24,061	Jul-2027 Jul-2028 Jul-2029 Jul-2030 Jul-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jul-2026	3 Months
45. Alvendia, Kelly & Demarest Suite: 1625 8/1/2009 - 6/30/2020 10 Years 11 Months Freehold	5,550 1.02%	Base Contract Office 14-26 Office	0.00 0 0.00 0 104,063	May-2015 Jul-2017	18.00 18.50	1.50 1.54	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2015 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.74 8,855	2.81 2,846			Market - 70.00 %
N/A		New BY	10.13 10,266	3.23 3,276			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
45. Alvernia, Kelly & Demarest Suite: 1625 9/1/2020 - 11/30/2025 5 Years 3 Months Freehold	5,550 1.02%	Market Speculative Office 14-26 Office Freehold	19.89 110,400 1.66 9,200 110,400	Sep-2021 Sep-2022 Sep-2023 Sep-2024 Sep-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Sep-2020	3 Months
45. Alvernia, Kelly & Demarest Suite: 1625 2/1/2026 - 4/30/2031 5 Years 3 Months Freehold	5,550 1.02%	Market Speculative Office 14-26 Office Freehold	23.75 131,823 1.98 10,985 131,823	Feb-2027 Feb-2028 Feb-2029 Feb-2030 Feb-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Feb-2026	3 Months
47. Alvernia, Kelly & Demarest Suite: 1627 8/1/2009 - 6/30/2020 10 Years 11 Months Freehold	1,008 0.18%	Base Contract Office 14-26 Office Freehold	0.00 0 0.00 0 18,900	May-2015 Jul-2017	18.00 18.50	1.50 1.54	None	None	
47. Alvernia, Kelly & Demarest Suite: 1627 9/1/2020 - 11/30/2025 5 Years 3 Months Freehold	1,008 0.18%	Market Speculative Office 14-26 Office Freehold	19.89 20,051 1.66 1,671 20,051	Sep-2021 Sep-2022 Sep-2023 Sep-2024 Sep-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Sep-2020	3 Months
47. Alvernia, Kelly & Demarest Suite: 1627 2/1/2026 - 4/30/2031 5 Years 3 Months Freehold	1,008 0.18%	Market Speculative Office 14-26 Office Freehold	23.75 23,942 1.98 1,995 23,942	Feb-2027 Feb-2028 Feb-2029 Feb-2030 Feb-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Feb-2026	3 Months
49. TIDEWATER MARINE Suite: 1630 10/1/2001 - 1/31/2018	1,459 0.27%	Base Contract Office 14-26	0.00 0 0.00	Feb-2015	19.50	1.63	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 47,104	2.73 15,164			Market - 70.00 %
N/A		New BY	10.13 56,245	3.23 17,949			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 8,555	2.73 2,754			Market - 70.00 %
N/A		New BY	10.13 10,215	3.23 3,260			Market - 70.00 %
N/A		2007 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
16 Years 4 Months Freehold		Office	0 27,356						
49. TIDEWATER MARINE Suite: 1630 4/1/2018 - 6/30/2023 5 Years 3 Months Freehold	1,459 0.27%	Market Speculative Office 14-26 Office	18.75 27,356 1.56 2,280 27,356	Apr-2019 Apr-2020 Apr-2021 Apr-2022 Apr-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Apr-2018	3 Months
49. TIDEWATER MARINE Suite: 1630 9/1/2023 - 11/30/2028 5 Years 3 Months Freehold	1,459 0.27%	Market Speculative Office 14-26 Office	21.74 31,713 1.81 2,643 31,713	Sep-2024 Sep-2025 Sep-2026 Sep-2027 Sep-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Sep-2023	3 Months
51. First Bank and Trust Suite: 1700 7/1/2014 - 3/31/2026 11 Years 9 Months Freehold	13,117 2.41%	Base Contract Office 14-26 Office	14.25 186,917 1.19 15,576 245,944	Apr-2016 Apr-2021	16.75 17.75	1.40 1.48	None	None	
51. First Bank and Trust Suite: 1700 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	13,117 2.41%	Market Speculative Office 14-26 Office	23.75 311,554 1.98 25,963 311,554	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jun-2026	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.00 11,672	2.58 3,770			Market - 70.00 %
N/A		New BY	9.27 13,531	2.97 4,336			Market - 70.00 %
N/A		2006 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.13 132,930	3.23 42,420			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
53. First Bank and Trust Suite: 1717 7/1/2014 - 3/31/2026 11 Years 9 Months Freehold	2,015 0.37%	Base Contract Office 14-26 Office	133.36 268,714 11.11 22,393 37,781	Apr-2016 Apr-2021	16.75 17.75	1.40 1.48	None	None	
53. First Bank and Trust Suite: 1717 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	2,015 0.37%	Market Speculative Office 14-26 Office	23.75 47,860 1.98 3,988 47,860	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jun-2026	3 Months
54. First Bank and Trust Suite: 1750 7/1/2014 - 3/31/2026 11 Years 9 Months Freehold	2,675 0.49%	Base Contract Office 14-26 Office	14.25 38,119 1.19 3,177 50,156	Apr-2016 Apr-2021	16.75 17.75	1.40 1.48	None	None	
54. First Bank and Trust Suite: 1750 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	2,675 0.49%	Market Speculative Office 14-26 Office	23.75 63,536 1.98 5,295 63,536	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jun-2026	3 Months
55. First Bank and Trust Suite: 1780 9/1/2014 - 3/31/2026 11 Years 7 Months Freehold	2,422 0.44%	Base Contract Office 14-26 Office	14.25 34,514 1.19 2,876 45,413	Apr-2016 Apr-2021	16.75 17.75	1.40 1.48	None	None	
55. First Bank and Trust Suite: 1780 6/1/2026 - 8/31/2031	2,422 0.44%	Market Speculative Office 14-26	23.75 57,527 1.98	Jun-2027 Jun-2028 Jun-2029	24.25 24.75 25.25	2.02 2.06 2.10	None	Jun-2026	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.13 20,420	3.23 6,517			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.13 27,109	3.23 8,651			Market - 70.00 %
N/A		2006 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.13 24,545	3.23 7,833			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	4,794 57,527	Jun-2030 Jun-2031	25.75 26.25	2.15 2.19			
56. Garrison Yount Suite: 1800 7/1/2011 - 10/31/2020 9 Years 4 Months Freehold	5,088 0.93%	Base Contract Office 14-26 Office	18.37 93,467 1.53 7,789 95,400	Nov-2018	18.50	1.54	None	None	
56. Garrison Yount Suite: 1800 1/1/2021 - 3/31/2026 5 Years 3 Months Freehold	5,088 0.93%	Market Speculative Office 14-26 Office	20.49 104,246 1.71 8,687 104,246	Jan-2022 Jan-2023 Jan-2024 Jan-2025 Jan-2026	20.99 21.49 21.99 22.49 22.99	1.75 1.79 1.83 1.87 1.92	None	Jan-2021	3 Months
56. Garrison Yount Suite: 1800 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	5,088 0.93%	Market Speculative Office 14-26 Office	23.75 120,850 1.98 10,071 120,850	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jun-2026	3 Months
57. Garrison Yount Suite: 1820 7/1/2011 - 10/31/2020 9 Years 4 Months Freehold	1,273 0.23%	Base Contract Office 14-26 Office	18.37 23,385 1.53 1,949 23,869	Nov-2018	18.50	1.54	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.74 44,478	2.81 14,296			Market - 70.00 %
N/A		New BY	10.13 51,563	3.23 16,455			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

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Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
57. Garrison Yount Suite: 1820 1/1/2021 - 3/31/2026 5 Years 3 Months Freehold	1,273 0.23%	Market Speculative Office 14-26 Office Freehold	20.49 26,082 1.71 2,174 26,082	Jan-2022 Jan-2023 Jan-2024 Jan-2025 Jan-2026	20.99 21.49 21.99 22.49 22.99	1.75 1.79 1.83 1.87 1.92	None	Jan-2021	3 Months
57. Garrison Yount Suite: 1820 6/1/2026 - 8/31/2031 5 Years 3 Months Freehold	1,273 0.23%	Market Speculative Office 14-26 Office Freehold	23.75 30,236 1.98 2,520 30,236	Jun-2027 Jun-2028 Jun-2029 Jun-2030 Jun-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jun-2026	3 Months
58. Spears & Spears, LLC Suite: 1825 9/1/2017 - 9/30/2020 3 Years 1 Month Freehold	1,872 0.34%	Base Contract Office 14-26 Office Freehold	18.00 33,696 1.50 2,808 35,100	Oct-2018 Oct-2019	18.50 19.00	1.54 1.58	None	None	
58. Spears & Spears, LLC Suite: 1825 12/1/2020 - 2/28/2026 5 Years 3 Months Freehold	1,872 0.34%	Market Speculative Office 14-26 Office Freehold	19.89 37,238 1.66 3,103 37,238	Dec-2021 Dec-2022 Dec-2023 Dec-2024 Dec-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Dec-2020	3 Months
58. Spears & Spears, LLC Suite: 1825 5/1/2026 - 7/31/2031 5 Years 3 Months Freehold	1,872 0.34%	Market Speculative Office 14-26 Office Freehold	23.75 44,464 1.98 3,705 44,464	May-2027 May-2028 May-2029 May-2030 May-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	May-2026	3 Months
59. Bland & Partners, PLLC Suite: 1860 9/1/2016 - 10/31/2021	5,670 1.04%	Base Contract Office 14-26	18.50 104,895 1.54				None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.74 11,128	2.81 3,577			Market - 70.00 %
N/A		New BY	10.13 12,901	3.23 4,117			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 15,888	2.73 5,115			Market - 70.00 %
N/A		New BY	10.13 18,971	3.23 6,054			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 2 Months Freehold		Office	8,741 106,313						
59. Bland & Partners, PLLC Suite: 1860 1/1/2022 - 3/31/2027 5 Years 3 Months Freehold	5,670 1.04%	Market Speculative Office 14-26 Office	21.10 119,656 1.76 9,971 119,656	Jan-2023 Jan-2024 Jan-2025 Jan-2026 Jan-2027	21.60 22.10 22.60 23.10 23.60	1.80 1.84 1.88 1.93 1.97	None	Jan-2022	3 Months
59. Bland & Partners, PLLC Suite: 1860 6/1/2027 - 8/31/2032 5 Years 3 Months Freehold	5,670 1.04%	Market Speculative Office 14-26 Office	24.46 138,714 2.04 11,559 138,714	Jun-2028 Jun-2029 Jun-2030 Jun-2031 Jun-2032	24.96 25.46 25.96 26.46 26.96	2.08 2.12 2.16 2.21 2.25	None	Jun-2027	3 Months
60. Blanchard and Company Suite: 1900 11/1/1999 - 9/30/2023 23 Years 11 Months Freehold	20,282 3.72%	Base Contract Office 14-26 Office	17.00 344,794 1.42 28,733 380,288	Oct-2018	18.00	1.50	None	None	
60. Blanchard and Company Suite: 1900 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	20,282 3.72%	Market Speculative Office 14-26 Office	21.74 440,857 1.81 36,738 440,857	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Dec-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.00 51,053	2.89 16,384			Market - 70.00 %
N/A		New BY	10.44 59,185	3.33 18,862			Market - 70.00 %
N/A		2007 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 188,099	2.97 60,278			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
61. Lanier Parking Suite: 2120 6/1/2017 - 5/31/2020 3 Years Freehold	1,339 0.25%	Base Contract Office 14-26 Office	17.00 22,763 1.42 1,897 25,106	Jun-2018 Jun-2019	17.50 18.00	1.46 1.50	None	None	
61. Lanier Parking Suite: 2120 8/1/2020 - 10/31/2025 5 Years 3 Months Freehold	1,339 0.25%	Market Speculative Office 14-26 Office	19.89 26,635 1.66 2,220 26,635	Aug-2021 Aug-2022 Aug-2023 Aug-2024 Aug-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Aug-2020	3 Months
61. Lanier Parking Suite: 2120 1/1/2026 - 3/31/2031 5 Years 3 Months Freehold	1,339 0.25%	Market Speculative Office 14-26 Office	23.75 31,804 1.98 2,650 31,804	Jan-2027 Jan-2028 Jan-2029 Jan-2030 Jan-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Jan-2026	3 Months
62. MOSES ENGINEERS* Suite: 2150 11/1/2001 - 9/30/2020 18 Years 11 Months Freehold	9,839 1.80%	Base Contract Office 14-26 Office	0.00 0 0.00 0 184,481	Dec-2012 Jan-2015 Apr-2019	16.50 17.50 18.50	1.38 1.46 1.54	None	None	
62. MOSES ENGINEERS* Suite: 2150 12/1/2020 - 2/28/2026 5 Years 3 Months Freehold	9,839 1.80%	Market Speculative Office 14-26 Office	19.89 195,716 1.66 16,310 195,716	Dec-2021 Dec-2022 Dec-2023 Dec-2024 Dec-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Dec-2020	3 Months
62. MOSES ENGINEERS* Suite: 2150 5/1/2026 - 7/31/2031	9,839 1.80%	Market Speculative Office 14-26	23.75 233,695 1.98	May-2027 May-2028 May-2029	24.25 24.75 25.25	2.02 2.06 2.10	None	May-2026	3 Months

Lease Summary Report

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Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 11,364	2.73 3,658			Market - 70.00 %
N/A		New BY	10.13 13,570	3.23 4,330			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 83,506	2.73 26,882			Market - 70.00 %
N/A		New BY	10.13 99,710	3.23 31,819			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	19,475 233,695	May-2030 May-2031	25.75 26.25	2.15 2.19			
63. CONFERENCE CENTER Suite: 2170 1/1/2018 - 12/31/2062 45 Years Freehold	2,207 0.40%	Base Contract Office 14-26 Office	0.00 0 0.00 0 41,381				None	None	
64. Gori Julian Suite: 2195 7/1/2017 - 7/31/2020 3 Years 1 Month Freehold	1,917 0.35%	Base Contract Office 14-26 Office	18.00 34,506 1.50 2,876 35,944	Jul-2018 Jul-2019 Jul-2020	18.50 19.00 19.50	1.54 1.58 1.63	None	None	
64. Gori Julian Suite: 2195 10/1/2020 - 12/31/2025 5 Years 3 Months Freehold	1,917 0.35%	Market Speculative Office 14-26 Office	19.89 38,133 1.66 3,178 38,133	Oct-2021 Oct-2022 Oct-2023 Oct-2024 Oct-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Oct-2020	3 Months
64. Gori Julian Suite: 2195 3/1/2026 - 5/31/2031 5 Years 3 Months Freehold	1,917 0.35%	Market Speculative Office 14-26 Office	23.75 45,532 1.98 3,794 45,532	Mar-2027 Mar-2028 Mar-2029 Mar-2030 Mar-2031	24.25 24.75 25.25 25.75 26.25	2.02 2.06 2.10 2.15 2.19	None	Mar-2026	3 Months

Lease Summary Report

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Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		None N/A	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 16,270	2.73 5,238			Market - 70.00 %
N/A		New BY	10.13 19,427	3.23 6,200			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
65. Marigny Capial Services Suite: 2200 7/1/2014 - 10/31/2021 7 Years 4 Months Freehold	4,148 0.76%	Base Contract Office 14-26 Office Freehold	18.25 75,701 1.52 6,308 77,775	Nov-2019	18.75	1.56	None	None	
65. Marigny Capial Services Suite: 2200 1/1/2022 - 3/31/2027 5 Years 3 Months Freehold	4,148 0.76%	Market Speculative Office 14-26 Office Freehold	21.10 87,536 1.76 7,295 87,536	Jan-2023 Jan-2024 Jan-2025 Jan-2026 Jan-2027	21.60 22.10 22.60 23.10 23.60	1.80 1.84 1.88 1.93 1.97	None	Jan-2022	3 Months
65. Marigny Capial Services Suite: 2200 6/1/2027 - 8/31/2032 5 Years 3 Months Freehold	4,148 0.76%	Market Speculative Office 14-26 Office Freehold	24.46 101,479 2.04 8,457 101,479	Jun-2028 Jun-2029 Jun-2030 Jun-2031 Jun-2032	24.96 25.46 25.96 26.46 26.96	2.08 2.12 2.16 2.21 2.25	None	Jun-2027	3 Months
66. Marigny Capial Services Suite: 2230 4/1/1995 - 10/31/2021 26 Years 7 Months Freehold	7,088 1.30%	Base Contract Office 14-26 Office Freehold	0.00 0 0.00 0 132,900	Jul-2014 Nov-2019	18.25 18.75	1.52 1.56	None	None	
66. Marigny Capial Services Suite: 2230 1/1/2022 - 3/31/2027 5 Years 3 Months Freehold	7,088 1.30%	Market Speculative Office 14-26 Office Freehold	21.10 149,580 1.76 12,465 149,580	Jan-2023 Jan-2024 Jan-2025 Jan-2026 Jan-2027	21.60 22.10 22.60 23.10 23.60	1.80 1.84 1.88 1.93 1.97	None	Jan-2022	3 Months
66. Marigny Capial Services Suite: 2230 6/1/2027 - 8/31/2032	7,088 1.30%	Market Speculative Office 14-26	24.46 173,404 2.04	Jun-2028 Jun-2029 Jun-2030	24.96 25.46 25.96	2.08 2.12 2.16	None	Jun-2027	3 Months

Lease Summary Report

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Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.00 37,349	2.89 11,986			Market - 70.00 %
N/A		New BY	10.44 43,298	3.33 13,799			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.00 63,821	2.89 20,482			Market - 70.00 %
N/A		New BY	10.44 73,986	3.33 23,579			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
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5 Years 3 Months Freehold		Office	14,450 173,404	Jun-2031 Jun-2032	26.46 26.96	2.21 2.25			
67. Capitol Energy Group, Inc. Suite: 2250 10/1/2017 - 2/28/2023 5 Years 5 Months Freehold	3,370 0.62%	Base Contract Office 14-26 Office	18.00 60,660 1.50 5,055 63,188	Mar-2020 Mar-2021	18.50 19.00	1.54 1.58	None	None	
67. Capitol Energy Group, Inc. Suite: 2250 5/1/2023 - 7/31/2028 5 Years 3 Months Freehold	3,370 0.62%	Market Speculative Office 14-26 Office	21.74 73,252 1.81 6,104 73,252	May-2024 May-2025 May-2026 May-2027 May-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	May-2023	3 Months
67. Capitol Energy Group, Inc. Suite: 2250 10/1/2028 - 12/31/2033 5 Years 3 Months Freehold	3,370 0.62%	Market Speculative Office 14-26 Office	25.20 84,919 2.10 7,077 84,919	Oct-2029 Oct-2030 Oct-2031 Oct-2032 Oct-2033	25.70 26.20 26.70 27.20 27.70	2.14 2.18 2.22 2.27 2.31	None	Oct-2028	3 Months
68. First Insurance Agency Suite: 2260 2/1/2015 - 4/30/2020 5 Years 3 Months Freehold	2,392 0.44%	Base Contract Office 14-26 Office	17.25 41,262 1.44 3,439 44,850	May-2017 May-2018	18.25 18.50	1.52 1.54	None	None	

Lease Summary Report

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Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 31,254	2.97 10,016			Market - 70.00 %
N/A		New BY	10.75 36,232	3.42 11,532			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
68. First Insurance Agency Suite: 2260 7/1/2020 - 9/30/2025 5 Years 3 Months Freehold	2,392 0.44%	Market Speculative Office 14-26 Office	19.89 47,581 1.66 3,965 47,581	Jul-2021 Jul-2022 Jul-2023 Jul-2024 Jul-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Jul-2020	3 Months
68. First Insurance Agency Suite: 2260 12/1/2025 - 2/28/2031 5 Years 3 Months Freehold	2,392 0.44%	Market Speculative Office 14-26 Office	23.06 55,160 1.92 4,597 55,160	Dec-2026 Dec-2027 Dec-2028 Dec-2029 Dec-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Dec-2025	3 Months
69. John Fuller Suite: 2270 4/1/2015 - 3/31/2020 5 Years Freehold	1,866 0.34%	Base Contract Office 14-26 Office	18.50 34,521 1.54 2,877 34,988	Apr-2017 Apr-2018	19.00 19.50	1.58 1.63	None	None	
69. John Fuller Suite: 2270 6/1/2020 - 8/31/2025 5 Years 3 Months Freehold	1,866 0.34%	Market Speculative Office 14-26 Office	19.89 37,118 1.66 3,093 37,118	Jun-2021 Jun-2022 Jun-2023 Jun-2024 Jun-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Jun-2020	3 Months
69. John Fuller Suite: 2270 11/1/2025 - 1/31/2031 5 Years 3 Months Freehold	1,866 0.34%	Market Speculative Office 14-26 Office	23.06 43,030 1.92 3,586 43,030	Nov-2026 Nov-2027 Nov-2028 Nov-2029 Nov-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Nov-2025	3 Months
70. Marigny Capital Services, LLC Suite: 2280 8/1/2015 - 10/31/2021	817 0.15%	Base Contract Office 14-26	18.25 14,910 1.52	Nov-2019	18.75	1.56	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 20,301	2.73 6,535			Market - 70.00 %
N/A		New BY	9.84 23,535	3.14 7,521			Market - 70.00 %
N/A		2010 BY RJ	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 15,837	2.73 5,098			Market - 70.00 %
N/A		New BY	9.84 18,360	3.14 5,867			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
6 Years 3 Months Freehold		Office	1,243 15,319						
70. Marigny Capital Services, LLC Suite: 2280 1/1/2022 - 3/31/2027 5 Years 3 Months Freehold	817 0.15%	Market Speculative Office 14-26 Office	21.10 17,241 1.76 1,437 17,241	Jan-2023 Jan-2024 Jan-2025 Jan-2026 Jan-2027	21.60 22.10 22.60 23.10 23.60	1.80 1.84 1.88 1.93 1.97	None	Jan-2022	3 Months
70. Marigny Capital Services, LLC Suite: 2280 6/1/2027 - 8/31/2032 5 Years 3 Months Freehold	817 0.15%	Market Speculative Office 14-26 Office	24.46 19,987 2.04 1,666 19,987	Jun-2028 Jun-2029 Jun-2030 Jun-2031 Jun-2032	24.96 25.46 25.96 26.46 26.96	2.08 2.12 2.16 2.21 2.25	None	Jun-2027	3 Months
71. Milling Benson Woodward, LLP Suite: 2300-2410 4/1/2010 - 2/28/2019 8 Years 11 Months Freehold	9,818 1.80%	Base Contract Office 14-26 Office	19.50 191,451 1.63 15,954 184,088	Mar-2016	19.00	1.58	None	None	
71. Milling Benson Woodward, LLP Suite: 2300-2410 5/1/2019 - 7/31/2024 5 Years 3 Months Freehold	9,818 1.80%	Market Speculative Office 14-26 Office	19.31 189,610 1.61 15,801 189,610	May-2020 May-2021 May-2022 May-2023 May-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	May-2019	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.00 7,356	2.89 2,361			Market - 70.00 %
N/A		New BY	10.44 8,528	3.33 2,718			Market - 70.00 %
N/A		Base Year Stop	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.24 80,900	2.66 26,085			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
71. Milling Benson Woodward, LLP Suite: 2300-2410 10/1/2024 - 12/31/2029 5 Years 3 Months Freehold	9,818 1.80%	Market Speculative Office 14-26 Office Freehold	22.39 219,810 1.87 18,318 219,810	Oct-2025 Oct-2026 Oct-2027 Oct-2028 Oct-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Oct-2024	3 Months
72. Barrasso Usdin Kuperman Suite: 2350 7/1/2011 - 12/31/2019 8 Years 6 Months Freehold	8,815 1.62%	Base Contract Office 14-26 Office Freehold	0.00 0 0.00 0 165,281	Jul-2012 Jan-2015 Jan-2018 Jan-2019	18.50 19.25 19.50 20.00	1.54 1.60 1.63 1.67	None	None	
72. Barrasso Usdin Kuperman Suite: 2350 3/1/2020 - 5/31/2025 5 Years 3 Months Freehold	8,815 1.62%	Market Speculative Office 14-26 Office Freehold	19.89 175,347 1.66 14,612 175,347	Mar-2021 Mar-2022 Mar-2023 Mar-2024 Mar-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Mar-2020	3 Months
72. Barrasso Usdin Kuperman Suite: 2350 8/1/2025 - 10/31/2030 5 Years 3 Months Freehold	8,815 1.62%	Market Speculative Office 14-26 Office Freehold	23.06 203,275 1.92 16,940 203,275	Aug-2026 Aug-2027 Aug-2028 Aug-2029 Aug-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Aug-2025	3 Months
73. Barrasso Usdin Kuperman Suite: 2400 5/1/2003 - 12/31/2019 16 Years 8 Months Freehold	18,377 3.37%	Base Contract Office 14-26 Office Freehold	0.00 0 0.00 0 344,569	Jan-2015 Jan-2018 Jan-2019	18.00 19.50 19.99	1.50 1.63 1.67	None	None	
73. Barrasso Usdin Kuperman Suite: 2400 3/1/2020 - 5/31/2025	18,377 3.37%	Market Speculative Office 14-26	19.89 365,553 1.66	Mar-2021 Mar-2022 Mar-2023	20.39 20.89 21.39	1.70 1.74 1.78	None	Mar-2020	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.55 93,786	3.06 30,011			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 74,815	2.73 24,084			Market - 70.00 %
N/A		New BY	9.84 86,731	3.14 27,715			Market - 70.00 %
N/A		2007 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 155,969	2.73 50,210			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	30,463 365,553	Mar-2024 Mar-2025	21.89 22.39	1.82 1.87			
73. Barrasso Usdin Kuperman Suite: 2400 8/1/2025 - 10/31/2030 5 Years 3 Months Freehold	18,377 3.37%	Market Speculative Office 14-26 Office	23.06 423,776 1.92 35,315 423,776	Aug-2026 Aug-2027 Aug-2028 Aug-2029 Aug-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Aug-2025	3 Months
74. Milling Benson Woodward, LLP Suite: 2410 3/1/2016 - 2/28/2019 3 Years Freehold	265 0.05%	Base Contract Office 14-26 Office	18.50 4,903 1.54 409 4,969				None	None	
74. Milling Benson Woodward, LLP Suite: 2410 5/1/2019 - 7/31/2024 5 Years 3 Months Freehold	265 0.05%	Market Speculative Office 14-26 Office	19.31 5,118 1.61 426 5,118	May-2020 May-2021 May-2022 May-2023 May-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	May-2019	3 Months
74. Milling Benson Woodward, LLP Suite: 2410 10/1/2024 - 12/31/2029 5 Years 3 Months Freehold	265 0.05%	Market Speculative Office 14-26 Office	22.39 5,933 1.87 494 5,933	Oct-2025 Oct-2026 Oct-2027 Oct-2028 Oct-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Oct-2024	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.84 180,811	3.14 57,779			Market - 70.00 %
N/A		Base Year Stop	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.24 2,184	2.66 704			Market - 70.00 %
N/A		New BY	9.55 2,531	3.06 810			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
75. Barrasso Usdin Kuperman Suite: 2425 3/1/2009 - 12/31/2019 10 Years 10 Months Freehold	1,400 0.26%	Base Contract Office 14-26 Office	0.00 0 0.00 0 26,250	Jan-2012 Jan-2015 Jan-2018 Jan-2019	18.50 19.25 19.50 20.00	1.54 1.60 1.63 1.67	None	None	
75. Barrasso Usdin Kuperman Suite: 2425 3/1/2020 - 5/31/2025 5 Years 3 Months Freehold	1,400 0.26%	Market Speculative Office 14-26 Office	19.89 27,849 1.66 2,321 27,849	Mar-2021 Mar-2022 Mar-2023 Mar-2024 Mar-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Mar-2020	3 Months
75. Barrasso Usdin Kuperman Suite: 2425 8/1/2025 - 10/31/2030 5 Years 3 Months Freehold	1,400 0.26%	Market Speculative Office 14-26 Office	23.06 32,284 1.92 2,690 32,284	Aug-2026 Aug-2027 Aug-2028 Aug-2029 Aug-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Aug-2025	3 Months
76. Stanley & Flanagan & Reuter Suite: 2500 11/1/1997 - 4/30/2018 20 Years 6 Months Freehold	12,451 2.28%	Base Contract Office 14-26 Office	0.00 0 0.00 0 233,456	Feb-2013 May-2014 May-2015 May-2016 May-2017	16.00 16.50 17.00 17.50 18.00	1.33 1.38 1.42 1.46 1.50	None	None	
76. Stanley & Flanagan & Reuter Suite: 2500 7/1/2018 - 9/30/2023 5 Years 3 Months Freehold	12,451 2.28%	Market Speculative Office 14-26 Office	18.75 233,456 1.56 19,455 233,456	Jul-2019 Jul-2020 Jul-2021 Jul-2022 Jul-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Jul-2018	3 Months
76. Stanley & Flanagan & Reuter Suite: 2500 12/1/2023 - 2/28/2029	12,451 2.28%	Market Speculative Office 14-26	21.74 270,640 1.81	Dec-2024 Dec-2025 Dec-2026	22.24 22.74 23.24	1.85 1.89 1.94	None	Dec-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.49 11,882	2.73 3,825			Market - 70.00 %
N/A		New BY	9.84 13,775	3.14 4,402			Market - 70.00 %
N/A		2013 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 99,608	2.58 32,170			Market - 70.00 %
N/A		New BY	9.27 115,473	2.97 37,004			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	22,553 270,640	Dec-2027 Dec-2028	23.74 24.24	1.98 2.02			
77. Stanley & Flanagan & Reuter Suite: 2550 2/1/2013 - 4/30/2018 5 Years 3 Months Freehold	4,116 0.76%	Base Contract Office 14-26 Office	16.00 65,856 1.33 5,488 77,175	May-2014 May-2015 May-2016 May-2017	16.50 17.00 17.50 18.00	1.38 1.42 1.46 1.50	None	None	
77. Stanley & Flanagan & Reuter Suite: 2550 7/1/2018 - 9/30/2023 5 Years 3 Months Freehold	4,116 0.76%	Market Speculative Office 14-26 Office	18.75 77,175 1.56 6,431 77,175	Jul-2019 Jul-2020 Jul-2021 Jul-2022 Jul-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Jul-2018	3 Months
77. Stanley & Flanagan & Reuter Suite: 2550 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	4,116 0.76%	Market Speculative Office 14-26 Office	21.74 89,467 1.81 7,456 89,467	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Dec-2023	3 Months
78. Iris Data Services, Inc. Suite: 2570 12/1/2014 - 1/31/2020 5 Years 2 Months Freehold	2,893 0.53%	Base Contract Office 14-26 Office	18.84 54,504 1.57 4,542 54,244	Feb-2017 Feb-2018	19.34 19.84	1.61 1.65	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2013 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 32,928	2.58 10,635			Market - 70.00 %
N/A		New BY	9.27 38,173	2.97 12,233			Market - 70.00 %
N/A		2015 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Suite Number		Lease Status	Amount Per Year						
Lease Dates		Market Leasing	Rate Per Month						
Lease Term		Lease Type	Amount Per Month						
Tenure			Rental Value Per Year						
78. Iris Data Services, Inc. Suite: 2570 4/1/2020 - 6/30/2025 5 Years 3 Months Freehold	2,893 0.53%	Market Speculative Office 14-26 Office Freehold	19.89 57,547 1.66 4,796 57,547	Apr-2021 Apr-2022 Apr-2023 Apr-2024 Apr-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Apr-2020	3 Months
78. Iris Data Services, Inc. Suite: 2570 9/1/2025 - 11/30/2030 5 Years 3 Months Freehold	2,893 0.53%	Market Speculative Office 14-26 Office Freehold	23.06 66,713 1.92 5,559 66,713	Sep-2026 Sep-2027 Sep-2028 Sep-2029 Sep-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Sep-2025	3 Months
79. Sullivan Stoller Knight Suite: 2600 1/1/1995 - 7/31/2019 24 Years 7 Months Freehold	8,166 1.50%	Base Contract Office 14-26 Office Freehold	17.50 142,905 1.46 11,909 153,113	Aug-2017	18.50	1.54	None	None	
79. Sullivan Stoller Knight Suite: 2600 10/1/2019 - 12/31/2024 5 Years 3 Months Freehold	8,166 1.50%	Market Speculative Office 14-26 Office Freehold	19.31 157,706 1.61 13,142 157,706	Oct-2020 Oct-2021 Oct-2022 Oct-2023 Oct-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	Oct-2019	3 Months
79. Sullivan Stoller Knight Suite: 2600 3/1/2025 - 5/31/2030 5 Years 3 Months Freehold	8,166 1.50%	Market Speculative Office 14-26 Office Freehold	23.06 188,309 1.92 15,692 188,309	Mar-2026 Mar-2027 Mar-2028 Mar-2029 Mar-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Mar-2025	3 Months
80. Evangeline Suite: 2620 11/1/2016 - 4/30/2020	2,684 0.49%	Base Contract Office 14-26	17.00 45,628 1.42	May-2018 May-2019	17.50 18.00	1.46 1.50	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 24,553	2.73 7,904			Market - 70.00 %
N/A		New BY	9.84 28,464	3.14 9,096			Market - 70.00 %
N/A		2009 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.24 67,288	2.66 21,696			Market - 70.00 %
N/A		New BY	9.84 80,345	3.14 25,674			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
3 Years 6 Months Freehold		Office	3,802 50,325						
80. Evangeline Suite: 2620 7/1/2020 - 9/30/2025 5 Years 3 Months Freehold	2,684 0.49%	Market Speculative Office 14-26 Office	19.89 53,390 1.66 4,449 53,390	Jul-2021 Jul-2022 Jul-2023 Jul-2024 Jul-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Jul-2020	3 Months
80. Evangeline Suite: 2620 12/1/2025 - 2/28/2031 5 Years 3 Months Freehold	2,684 0.49%	Market Speculative Office 14-26 Office	23.06 61,893 1.92 5,158 61,893	Dec-2026 Dec-2027 Dec-2028 Dec-2029 Dec-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Dec-2025	3 Months
81. Alliant Insurance Suite: 2650 10/1/2017 - 4/30/2023 5 Years 7 Months Freehold	6,333 1.16%	Base Contract Office 14-26 Office	17.50 110,828 1.46 9,236 118,744	May-2018 May-2019 May-2020 May-2021 May-2022	18.00 18.50 19.00 19.50 20.00	1.50 1.54 1.58 1.63 1.67	None	None	
81. Alliant Insurance Suite: 2650 7/1/2023 - 9/30/2028 5 Years 3 Months Freehold	6,333 1.16%	Market Speculative Office 14-26 Office	21.74 137,657 1.81 11,471 137,657	Jul-2024 Jul-2025 Jul-2026 Jul-2027 Jul-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Jul-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	8.49 22,780	2.73 7,333			Market - 70.00 %
N/A		New BY	9.84 26,408	3.14 8,439			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 58,733	2.97 18,822			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Suite Number		Lease Status	Amount Per Year						
Lease Dates		Market Leasing	Rate Per Month						
Lease Term		Lease Type	Amount Per Month						
Tenure			Rental Value Per Year						
81. Alliant Insurance	6,333	Market	25.20	Dec-2029	25.70	2.14	None	Dec-2028	3 Months
Suite: 2650	1.16%	Speculative	159,582	Dec-2030	26.20	2.18			
12/1/2028 - 2/28/2034		Office 14-26	2.10	Dec-2031	26.70	2.22			
5 Years 3 Months		Office	13,298	Dec-2032	27.20	2.27			
Freehold			159,582	Dec-2033	27.70	2.31			
82. MV Health	1,262	Base	18.50				None	None	
Suite: 2660	0.23%	Contract	23,347						
5/1/2017 - 6/30/2019		Office 14-26	1.54						
2 Years 2 Months		Office	1,946						
Freehold			23,663						
82. MV Health	1,262	Market	19.31	Sep-2020	19.81	1.65	None	Sep-2019	3 Months
Suite: 2660	0.23%	Speculative	24,372	Sep-2021	20.31	1.69			
9/1/2019 - 11/30/2024		Office 14-26	1.61	Sep-2022	20.81	1.73			
5 Years 3 Months		Office	2,031	Sep-2023	21.31	1.78			
Freehold			24,372	Sep-2024	21.81	1.82			
82. MV Health	1,262	Market	23.06	Feb-2026	23.56	1.96	None	Feb-2025	3 Months
Suite: 2660	0.23%	Speculative	29,102	Feb-2027	24.06	2.01			
2/1/2025 - 4/30/2030		Office 14-26	1.92	Feb-2028	24.56	2.05			
5 Years 3 Months		Office	2,425	Feb-2029	25.06	2.09			
Freehold			29,102	Feb-2030	25.56	2.13			
83. Sher Garner Cahill Richter	20,766	Base	0.00	Jan-2018	17.07	1.42	None	None	
Suite: 2700	3.81%	Contract	0	Jan-2021	17.57	1.46			
1/1/2006 - 12/31/2027		Office 27-36	0.00	Jan-2023	18.07	1.51			
22 Years		Office	0	Jan-2025	18.57	1.55			
Freehold			394,554						
83. Sher Garner Cahill Richter	20,766	Market	25.53	Mar-2029	26.03	2.17	None	Mar-2028	3 Months
Suite: 2700	3.81%	Speculative	530,248	Mar-2030	26.53	2.21			
3/1/2028 - 5/31/2033		Office 27-36	2.13	Mar-2031	27.03	2.25			

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	10.75 68,088	3.42 21,672			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.24 10,399	2.66 3,353			Market - 70.00 %
N/A		New BY	9.84 12,417	3.14 3,968			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.75 223,262	3.47 71,969			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	44,187 530,248	Mar-2032 Mar-2033	27.53 28.03	2.29 2.34			
84. Sher Garner Cahill Richter Suite: 2800 12/1/2004 - 12/31/2027 23 Years 1 Month Freehold	11,426 2.10%	Base Contract Office 27-36 Office	0.00 0 0.00 0 217,094	Jan-2018 Jan-2021 Jan-2023 Jan-2025	17.07 17.57 18.07 18.57	1.42 1.46 1.51 1.55	None	None	
84. Sher Garner Cahill Richter Suite: 2800 3/1/2028 - 5/31/2033 5 Years 3 Months Freehold	11,426 2.10%	Market Speculative Office 27-36 Office	25.53 291,756 2.13 24,313 291,756	Mar-2029 Mar-2030 Mar-2031 Mar-2032 Mar-2033	26.03 26.53 27.03 27.53 28.03	2.17 2.21 2.25 2.29 2.34	None	Mar-2028	3 Months
85. KPMG Suite: 2900 1/1/2005 - 5/31/2021 16 Years 5 Months Freehold	11,974 2.20%	Base Contract Office 27-36 Office	19.25 230,500 1.60 19,208 227,506				None	None	
85. KPMG Suite: 2900 8/1/2021 - 10/31/2026 5 Years 3 Months Freehold	11,974 2.20%	Market Speculative Office 27-36 Office	20.76 248,602 1.73 20,717 248,602	Aug-2022 Aug-2023 Aug-2024 Aug-2025 Aug-2026	21.26 21.76 22.26 22.76 23.26	1.77 1.81 1.86 1.90 1.94	None	Aug-2021	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	10.75 122,845	3.47 39,599			Market - 70.00 %
N/A		2010 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.74 104,675	2.85 34,069			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
85. KPMG Suite: 2900 1/1/2027 - 3/31/2032 5 Years 3 Months Freehold	11,974 2.20%	Market Speculative Office 27-36 Office	24.79 296,844 2.07 24,737 296,844	Jan-2028 Jan-2029 Jan-2030 Jan-2031 Jan-2032	25.29 25.79 26.29 26.79 27.29	2.11 2.15 2.19 2.23 2.27	None	Jan-2027	3 Months
86. Glago Law Firm Suite: 2950 1/1/2013 - 7/31/2018 5 Years 7 Months Freehold	5,152 0.95%	Base Contract Office 27-36 Office	18.00 92,736 1.50 7,728 97,888				None	None	
86. Glago Law Firm Suite: 2950 10/1/2018 - 12/31/2023 5 Years 3 Months Freehold	5,152 0.95%	Market Speculative Office 27-36 Office	19.00 97,888 1.58 8,157 97,888	Oct-2019 Oct-2020 Oct-2021 Oct-2022 Oct-2023	19.50 20.00 20.50 21.00 21.50	1.63 1.67 1.71 1.75 1.79	None	Oct-2018	3 Months
86. Glago Law Firm Suite: 2950 3/1/2024 - 5/31/2029 5 Years 3 Months Freehold	5,152 0.95%	Market Speculative Office 27-36 Office	22.69 116,883 1.89 9,740 116,883	Mar-2025 Mar-2026 Mar-2027 Mar-2028 Mar-2029	23.19 23.69 24.19 24.69 25.19	1.93 1.97 2.02 2.06 2.10	None	Mar-2024	3 Months
87. AIG Domestic Claims, Inc. Suite: 3000 5/1/2005 - 12/31/2024 19 Years 8 Months Freehold	6,821 1.25%	Base Contract Office 27-36 Office	18.00 122,778 1.50 10,232 129,599	Jan-2020 Jan-2022	18.35 18.75	1.53 1.56	None	None	
87. AIG Domestic Claims, Inc. Suite: 3000 3/1/2025 - 5/31/2030	6,821 1.25%	Market Speculative Office 27-36	23.37 159,390 1.95	Mar-2026 Mar-2027 Mar-2028	23.87 24.37 24.87	1.99 2.03 2.07	None	Mar-2025	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	10.44 124,987	3.37 40,341			Market - 70.00 %
N/A		2013 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	8.00 41,216	2.62 13,479			Market - 70.00 %
N/A		New BY	9.55 49,214	3.10 15,948			Market - 70.00 %
N/A		2008 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.84 67,112	3.18 21,718			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	13,283 159,390	Mar-2029 Mar-2030	25.37 25.87	2.11 2.16			
88. Beau Box New Orleans Suite: 3025 3/1/2018 - 6/30/2023 5 Years 4 Months Freehold	5,877 1.08%	Base Contract Office 27-36 Office	17.50 102,848 1.46 8,571 111,663	Jul-2020 Jul-2021	18.50 19.00	1.54 1.58	None	None	
88. Beau Box New Orleans Suite: 3025 9/1/2023 - 11/30/2028 5 Years 3 Months Freehold	5,877 1.08%	Market Speculative Office 27-36 Office	22.03 129,448 1.84 10,787 129,448	Sep-2024 Sep-2025 Sep-2026 Sep-2027 Sep-2028	22.53 23.03 23.53 24.03 24.53	1.88 1.92 1.96 2.00 2.04	None	Sep-2023	3 Months
89. Pricewaterhouse Coopers LLP Suite: 3100 11/1/2014 - 4/30/2025 10 Years 6 Months Freehold	7,851 1.44%	Base Contract Office 27-36 Office	17.75 139,355 1.48 11,613 149,169	May-2016 May-2017 May-2018 May-2019 May-2020 May-2021 May-2022 May-2023 May-2024	18.00 18.25 18.50 18.75 19.00 19.25 19.50 19.75 20.00	1.50 1.52 1.54 1.56 1.58 1.60 1.63 1.65 1.67	None	None	

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	9.27 54,504	3.01 17,688			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Suite Number		Lease Status	Amount Per Year						
Lease Dates		Market Leasing	Rate Per Month						
Lease Term		Lease Type	Amount Per Month						
Tenure			Rental Value Per Year						
89. Pricewaterhouse Coopers LLP	7,851 1.44%	Market	23.37	Jul-2026	23.87	1.99	None	Jul-2025	3 Months
Suite: 3100		Speculative	183,459	Jul-2027	24.37	2.03			
7/1/2025 - 9/30/2030		Office 27-36	1.95	Jul-2028	24.87	2.07			
5 Years 3 Months		Office	15,288	Jul-2029	25.37	2.11			
Freehold			183,459	Jul-2030	25.87	2.16			
90. Stone Pigman	8,510 1.56%	Base	19.00	Dec-2020	20.00	1.67	None	None	
Suite: 3150		Contract	161,690	Dec-2023	21.00	1.75			
8/1/2017 - 10/31/2032		Office 27-36	1.58	Dec-2026	22.00	1.83			
15 Years 3 Months		Office	13,474	Dec-2028	23.00	1.92			
Freehold			161,690						
91. Stone Pigman	17,119 3.14%	Base	19.00	Dec-2020	20.00	1.67	None	None	
Suite: 3200		Contract	325,261	Dec-2023	21.00	1.75			
8/1/2017 - 10/31/2032		Office 27-36	1.58	Dec-2026	22.00	1.83			
15 Years 3 Months		Office	27,105	Dec-2028	23.00	1.92			
Freehold			325,261						
92. Stone Pigman	17,119 3.14%	Base	19.00	Dec-2020	20.00	1.67	None	None	
Suite: 3300		Contract	325,261	Dec-2023	21.00	1.75			
8/1/2017 - 10/31/2032		Office 27-36	1.58	Dec-2026	22.00	1.83			
15 Years 3 Months		Office	27,105	Dec-2028	23.00	1.92			
Freehold			325,261						
93. Kean Miller	16,731 3.07%	Base	19.00	Apr-2017	20.00	1.67	None	None	
Suite: 3400		Contract	317,889	Apr-2020	21.00	1.75			
10/1/2013 - 10/31/2028		Office 27-36	1.58	Apr-2023	22.00	1.83			
15 Years 1 Month		Office	26,491	Apr-2026	23.00	1.92			
Freehold			317,889						
94. Kean Miller	13,875 2.55%	Base	19.00	Apr-2017	20.00	1.67	None	None	
Suite: 3600		Contract	263,625	Apr-2020	21.00	1.75			
10/1/2013 - 10/31/2028		Office 27-36	1.58	Apr-2023	22.00	1.83			

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.84 77,246	3.18 24,998			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	0.00 0	0.00 0			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
15 Years 1 Month Freehold		Office	21,969 263,625	Apr-2026	23.00	1.92			
95. Blanchard and Company - STRME Suite: STRME 10/1/2006 - 9/30/2023 17 Years Freehold	1,071 0.20%	Base Contract Storage Office	10.00 10,710 0.83 893 12,000				None	None	
95. Blanchard and Company - STRME Suite: STRME 12/1/2023 - 11/30/2028 5 Years Freehold	1,071 0.20%	Market Speculative Storage Office	12.99 13,911 1.08 1,159 13,911				None	None	
2. Office Space (1 of 9) Suite: Auto Lease-Up 1/1/2018 - 3/31/2023 5 Years 3 Months Freehold	3,555 0.65%	Base Speculative Office 1-13 Office	18.50 65,768 1.54 5,481 65,768	Jan-2019 Jan-2020 Jan-2021 Jan-2022 Jan-2023	19.00 19.50 20.00 20.50 21.00	1.58 1.63 1.67 1.71 1.75	None	Jan-2018	3 Months
2. Office Space (1 of 9) Suite: Auto Lease-Up 6/1/2023 - 8/31/2028 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office	21.45 76,243 1.79 6,354 76,243	Jun-2024 Jun-2025 Jun-2026 Jun-2027 Jun-2028	21.95 22.45 22.95 23.45 23.95	1.83 1.87 1.91 1.95 2.00	None	Jun-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		2014 BY	0.00 0	0.00 0			Market - 70.00 %
N/A		New BY	0.00 0	1.69 1,808			Market - 70.00 %
N/A		New BY	15.00 53,325	3.93 13,953			Market - 70.00 %
N/A		New BY	9.27 32,970	2.93 10,431			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent	Rent	Rent	Type	Date	Months
Suite Number		Lease Status	Amount Per Year	Changes On	Changes To	Changes To	Timing		
Lease Dates		Market Leasing	Rate Per Month	Date	\$/SF-Annual	\$/SF-Monthly	Inflation Rate/Index		
Lease Term		Lease Type	Amount Per Month						
Tenure			Rental Value Per Year						
2. Office Space (1 of 9)	3,555	Market	24.86	Nov-2029	25.36	2.11	None	Nov-2028	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	88,386	Nov-2030	25.86	2.16			
11/1/2028 - 1/31/2034		Office 1-13	2.07	Nov-2031	26.36	2.20			
5 Years 3 Months		Office	7,366	Nov-2032	26.86	2.24			
Freehold			88,386	Nov-2033	27.36	2.28			
4. Office Space (2 of 9)	3,555	Base	18.50	Apr-2019	19.00	1.58	None	Apr-2018	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	65,768	Apr-2020	19.50	1.63			
4/1/2018 - 6/30/2023		Office 1-13	1.54	Apr-2021	20.00	1.67			
5 Years 3 Months		Office	5,481	Apr-2022	20.50	1.71			
Freehold			65,768	Apr-2023	21.00	1.75			
4. Office Space (2 of 9)	3,555	Market	21.45	Sep-2024	21.95	1.83	None	Sep-2023	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	76,243	Sep-2025	22.45	1.87			
9/1/2023 - 11/30/2028		Office 1-13	1.79	Sep-2026	22.95	1.91			
5 Years 3 Months		Office	6,354	Sep-2027	23.45	1.95			
Freehold			76,243	Sep-2028	23.95	2.00			
6. Office Space (3 of 9)	3,555	Base	18.50	Jul-2019	19.00	1.58	None	Jul-2018	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	65,768	Jul-2020	19.50	1.63			
7/1/2018 - 9/30/2023		Office 1-13	1.54	Jul-2021	20.00	1.67			
5 Years 3 Months		Office	5,481	Jul-2022	20.50	1.71			
Freehold			65,768	Jul-2023	21.00	1.75			
6. Office Space (3 of 9)	3,555	Market	21.45	Dec-2024	21.95	1.83	None	Dec-2023	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	76,243	Dec-2025	22.45	1.87			
12/1/2023 - 2/28/2029		Office 1-13	1.79	Dec-2026	22.95	1.91			
5 Years 3 Months		Office	6,354	Dec-2027	23.45	1.95			
Freehold			76,243	Dec-2028	23.95	2.00			
8. Office Space (4 of 9)	3,555	Base	18.50	Oct-2019	19.00	1.58	None	Oct-2018	3 Months
Suite: Auto Lease-Up	0.65%	Speculative	65,768	Oct-2020	19.50	1.63			
10/1/2018 - 12/31/2023		Office 1-13	1.54	Oct-2021	20.00	1.67			

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	10.75 38,221	3.38 12,010			Market - 70.00 %
N/A		New BY	15.00 53,325	3.93 13,953			Market - 70.00 %
N/A		New BY	9.27 32,970	2.93 10,431			Market - 70.00 %
N/A		New BY	15.00 53,325	3.93 13,953			Market - 70.00 %
N/A		New BY	9.27 32,970	2.93 10,431			Market - 70.00 %
N/A		New BY	15.00 53,325	3.93 13,953			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	5,481 65,768	Oct-2022 Oct-2023	20.50 21.00	1.71 1.75			
8. Office Space (4 of 9) Suite: Auto Lease-Up 3/1/2024 - 5/31/2029 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office	22.09 78,530 1.84 6,544 78,530	Mar-2025 Mar-2026 Mar-2027 Mar-2028 Mar-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Mar-2024	3 Months
10. Office Space (5 of 9) Suite: Auto Lease-Up 1/1/2019 - 3/31/2024 5 Years 3 Months Freehold	3,555 0.65%	Base Speculative Office 1-13 Office	19.06 67,741 1.59 5,645 67,741	Jan-2020 Jan-2021 Jan-2022 Jan-2023 Jan-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Jan-2019	3 Months
10. Office Space (5 of 9) Suite: Auto Lease-Up 6/1/2024 - 8/31/2029 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office	22.09 78,530 1.84 6,544 78,530	Jun-2025 Jun-2026 Jun-2027 Jun-2028 Jun-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Jun-2024	3 Months
12. Office Space (6 of 9) Suite: Auto Lease-Up 4/1/2019 - 6/30/2024 5 Years 3 Months Freehold	3,555 0.65%	Base Speculative Office 1-13 Office	19.06 67,741 1.59 5,645 67,741	Apr-2020 Apr-2021 Apr-2022 Apr-2023 Apr-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Apr-2019	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.55 33,959	3.02 10,729			Market - 70.00 %
N/A		New BY	15.45 54,925	4.04 14,348			Market - 70.00 %
N/A		New BY	9.55 33,959	3.02 10,729			Market - 70.00 %
N/A		New BY	15.45 54,925	4.04 14,348			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
12. Office Space (6 of 9) Suite: Auto Lease-Up 9/1/2024 - 11/30/2029 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office Freehold	22.09 78,530 1.84 6,544 78,530	Sep-2025 Sep-2026 Sep-2027 Sep-2028 Sep-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Sep-2024	3 Months
14. Office Space (7 of 9) Suite: Auto Lease-Up 7/1/2019 - 9/30/2024 5 Years 3 Months Freehold	3,555 0.65%	Base Speculative Office 1-13 Office Freehold	19.06 67,741 1.59 5,645 67,741	Jul-2020 Jul-2021 Jul-2022 Jul-2023 Jul-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Jul-2019	3 Months
14. Office Space (7 of 9) Suite: Auto Lease-Up 12/1/2024 - 2/28/2030 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office Freehold	22.09 78,530 1.84 6,544 78,530	Dec-2025 Dec-2026 Dec-2027 Dec-2028 Dec-2029	22.59 23.09 23.59 24.09 24.59	1.88 1.92 1.97 2.01 2.05	None	Dec-2024	3 Months
16. Office Space (8 of 9) Suite: Auto Lease-Up 10/1/2019 - 12/31/2024 5 Years 3 Months Freehold	3,555 0.65%	Base Speculative Office 1-13 Office Freehold	19.06 67,741 1.59 5,645 67,741	Oct-2020 Oct-2021 Oct-2022 Oct-2023 Oct-2024	19.56 20.06 20.56 21.06 21.56	1.63 1.67 1.71 1.75 1.80	None	Oct-2019	3 Months
16. Office Space (8 of 9) Suite: Auto Lease-Up 3/1/2025 - 5/31/2030 5 Years 3 Months Freehold	3,555 0.65%	Market Speculative Office 1-13 Office Freehold	22.75 80,886 1.90 6,740 80,886	Mar-2026 Mar-2027 Mar-2028 Mar-2029 Mar-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Mar-2025	3 Months
18. Office Space (9 of 9) Suite: Auto Lease-Up 1/1/2020 - 3/31/2025	3 0.00%	Base Speculative Office 1-13	19.63 59 1.64	Jan-2021 Jan-2022 Jan-2023	20.13 20.63 21.13	1.68 1.72 1.76	None	Jan-2020	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.55 33,959	3.02 10,729			Market - 70.00 %
N/A		New BY	15.45 54,925	4.04 14,348			Market - 70.00 %
N/A		New BY	9.55 33,959	3.02 10,729			Market - 70.00 %
N/A		New BY	15.45 54,925	4.04 14,348			Market - 70.00 %
N/A		New BY	9.84 34,978	3.10 11,035			Market - 70.00 %
N/A		New BY	15.91 48	4.15 12			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	5 59	Jan-2024 Jan-2025	21.63 22.13	1.80 1.84			
18. Office Space (9 of 9) Suite: Auto Lease-Up 6/1/2025 - 8/31/2030 5 Years 3 Months Freehold	3 0.00%	Market Speculative Office 1-13 Office Office	22.75 68 1.90 6 68	Jun-2026 Jun-2027 Jun-2028 Jun-2029 Jun-2030	23.25 23.75 24.25 24.75 25.25	1.94 1.98 2.02 2.06 2.10	None	Jun-2025	3 Months
20. Office Space 2nd Tier (1 of 8) Suite: Auto Lease-Up 1/1/2018 - 3/31/2023 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office Office	18.75 89,813 1.56 7,484 89,813	Jan-2019 Jan-2020 Jan-2021 Jan-2022 Jan-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Jan-2018	3 Months
20. Office Space 2nd Tier (1 of 8) Suite: Auto Lease-Up 6/1/2023 - 8/31/2028 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office Office	21.74 104,117 1.81 8,676 104,117	Jun-2024 Jun-2025 Jun-2026 Jun-2027 Jun-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Jun-2023	3 Months
20. Office Space 2nd Tier (1 of 8) Suite: Auto Lease-Up 11/1/2028 - 1/31/2034 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office Office	25.20 120,700 2.10 10,058 120,700	Nov-2029 Nov-2030 Nov-2031 Nov-2032 Nov-2033	25.70 26.20 26.70 27.20 27.70	2.14 2.18 2.22 2.27 2.31	None	Nov-2028	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.84 30	3.10 9			Market - 70.00 %
N/A		New BY	15.00 71,850	3.98 19,040			Market - 70.00 %
N/A		New BY	9.27 44,423	2.97 14,236			Market - 70.00 %
N/A		New BY	10.75 51,499	3.42 16,392			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
22. Office Space 2nd Tier (2 of 8) Suite: Auto Lease-Up 4/1/2018 - 6/30/2023 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office Freehold	18.75 89,813 1.56 7,484 89,813	Apr-2019 Apr-2020 Apr-2021 Apr-2022 Apr-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Apr-2018	3 Months
22. Office Space 2nd Tier (2 of 8) Suite: Auto Lease-Up 9/1/2023 - 11/30/2028 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office Freehold	21.74 104,117 1.81 8,676 104,117	Sep-2024 Sep-2025 Sep-2026 Sep-2027 Sep-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Sep-2023	3 Months
24. Office Space 2nd Tier (3 of 8) Suite: Auto Lease-Up 7/1/2018 - 9/30/2023 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office Freehold	18.75 89,813 1.56 7,484 89,813	Jul-2019 Jul-2020 Jul-2021 Jul-2022 Jul-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Jul-2018	3 Months
24. Office Space 2nd Tier (3 of 8) Suite: Auto Lease-Up 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office Freehold	21.74 104,117 1.81 8,676 104,117	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	22.24 22.74 23.24 23.74 24.24	1.85 1.89 1.94 1.98 2.02	None	Dec-2023	3 Months
26. Office Space 2nd Tier (4 of 8) Suite: Auto Lease-Up 11/1/2018 - 1/31/2024 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office Freehold	18.75 89,813 1.56 7,484 89,813	Nov-2019 Nov-2020 Nov-2021 Nov-2022 Nov-2023	19.25 19.75 20.25 20.75 21.25	1.60 1.65 1.69 1.73 1.77	None	Nov-2018	3 Months
26. Office Space 2nd Tier (4 of 8) Suite: Auto Lease-Up 4/1/2024 - 6/30/2029	4,790 0.88%	Market Speculative Office 14-26	22.39 107,241 1.87	Apr-2025 Apr-2026 Apr-2027	22.89 23.39 23.89	1.91 1.95 1.99	None	Apr-2024	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	15.00 71,850	3.98 19,040			Market - 70.00 %
N/A		New BY	9.27 44,423	2.97 14,236			Market - 70.00 %
N/A		New BY	15.00 71,850	3.98 19,040			Market - 70.00 %
N/A		New BY	9.27 44,423	2.97 14,236			Market - 70.00 %
N/A		New BY	15.00 71,850	3.98 19,040			Market - 70.00 %
N/A		New BY	9.55 45,756	3.06 14,642			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	8,937 107,241	Apr-2028 Apr-2029	24.39 24.89	2.03 2.07			
28. Office Space 2nd Tier (5 of 8) Suite: Auto Lease-Up 2/1/2019 - 4/30/2024 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office	19.31 92,507 1.61 7,709 92,507	Feb-2020 Feb-2021 Feb-2022 Feb-2023 Feb-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	Feb-2019	3 Months
28. Office Space 2nd Tier (5 of 8) Suite: Auto Lease-Up 7/1/2024 - 9/30/2029 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office	22.39 107,241 1.87 8,937 107,241	Jul-2025 Jul-2026 Jul-2027 Jul-2028 Jul-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Jul-2024	3 Months
30. Office Space 2nd Tier (6 of 8) Suite: Auto Lease-Up 6/1/2019 - 8/31/2024 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office	19.31 92,507 1.61 7,709 92,507	Jun-2020 Jun-2021 Jun-2022 Jun-2023 Jun-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	Jun-2019	3 Months
30. Office Space 2nd Tier (6 of 8) Suite: Auto Lease-Up 11/1/2024 - 1/31/2030 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office	22.39 107,241 1.87 8,937 107,241	Nov-2025 Nov-2026 Nov-2027 Nov-2028 Nov-2029	22.89 23.39 23.89 24.39 24.89	1.91 1.95 1.99 2.03 2.07	None	Nov-2024	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	15.45 74,006	4.09 19,579			Market - 70.00 %
N/A		New BY	9.55 45,756	3.06 14,642			Market - 70.00 %
N/A		New BY	15.45 74,006	4.09 19,579			Market - 70.00 %
N/A		New BY	9.55 45,756	3.06 14,642			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
32. Office Space 2nd Tier (7 of 8) Suite: Auto Lease-Up 9/1/2019 - 11/30/2024 5 Years 3 Months Freehold	4,790 0.88%	Base Speculative Office 14-26 Office Freehold	19.31 92,507 1.61 7,709 92,507	Sep-2020 Sep-2021 Sep-2022 Sep-2023 Sep-2024	19.81 20.31 20.81 21.31 21.81	1.65 1.69 1.73 1.78 1.82	None	Sep-2019	3 Months
32. Office Space 2nd Tier (7 of 8) Suite: Auto Lease-Up 2/1/2025 - 4/30/2030 5 Years 3 Months Freehold	4,790 0.88%	Market Speculative Office 14-26 Office Freehold	23.06 110,458 1.92 9,205 110,458	Feb-2026 Feb-2027 Feb-2028 Feb-2029 Feb-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Feb-2025	3 Months
34. Office Space 2nd Tier (8 of 8) Suite: Auto Lease-Up 1/1/2020 - 3/31/2025 5 Years 3 Months Freehold	4,789 0.88%	Base Speculative Office 14-26 Office Freehold	19.89 95,262 1.66 7,939 95,262	Jan-2021 Jan-2022 Jan-2023 Jan-2024 Jan-2025	20.39 20.89 21.39 21.89 22.39	1.70 1.74 1.78 1.82 1.87	None	Jan-2020	3 Months
34. Office Space 2nd Tier (8 of 8) Suite: Auto Lease-Up 6/1/2025 - 8/31/2030 5 Years 3 Months Freehold	4,789 0.88%	Market Speculative Office 14-26 Office Freehold	23.06 110,435 1.92 9,203 110,435	Jun-2026 Jun-2027 Jun-2028 Jun-2029 Jun-2030	23.56 24.06 24.56 25.06 25.56	1.96 2.01 2.05 2.09 2.13	None	Jun-2025	3 Months
36. Office Space 3rd Tier (1 of 9) Suite: Auto Lease-Up 1/1/2018 - 3/31/2023 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office Freehold	19.00 90,763 1.58 7,564 90,763	Jan-2019 Jan-2020 Jan-2021 Jan-2022 Jan-2023	19.50 20.00 20.50 21.00 21.50	1.63 1.67 1.71 1.75 1.79	None	Jan-2018	3 Months
36. Office Space 3rd Tier (1 of 9) Suite: Auto Lease-Up 6/1/2023 - 8/31/2028	4,777 0.88%	Market Speculative Office 27-36	22.03 105,219 1.84	Jun-2024 Jun-2025 Jun-2026	22.53 23.03 23.53	1.88 1.92 1.96	None	Jun-2023	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	15.45 74,006	4.09 19,579			Market - 70.00 %
N/A		New BY	9.84 47,129	3.14 15,060			Market - 70.00 %
N/A		New BY	15.91 76,210	4.20 20,130			Market - 70.00 %
N/A		New BY	9.84 47,119	3.14 15,057			Market - 70.00 %
N/A		New BY	15.00 71,655	4.03 19,227			Market - 70.00 %
N/A		New BY	9.27 44,303	3.01 14,377			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
5 Years 3 Months Freehold		Office	8,768 105,219	Jun-2027 Jun-2028	24.03 24.53	2.00 2.04			
36. Office Space 3rd Tier (1 of 9) Suite: Auto Lease-Up 11/1/2028 - 1/31/2034 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	25.53 121,978 2.13 10,165 121,978	Nov-2029 Nov-2030 Nov-2031 Nov-2032 Nov-2033	26.03 26.53 27.03 27.53 28.03	2.17 2.21 2.25 2.29 2.34	None	Nov-2028	3 Months
38. Office Space 3rd Tier (2 of 9) Suite: Auto Lease-Up 4/1/2018 - 6/30/2023 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.00 90,763 1.58 7,564 90,763	Apr-2019 Apr-2020 Apr-2021 Apr-2022 Apr-2023	19.50 20.00 20.50 21.00 21.50	1.63 1.67 1.71 1.75 1.79	None	Apr-2018	3 Months
38. Office Space 3rd Tier (2 of 9) Suite: Auto Lease-Up 9/1/2023 - 11/30/2028 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.03 105,219 1.84 8,768 105,219	Sep-2024 Sep-2025 Sep-2026 Sep-2027 Sep-2028	22.53 23.03 23.53 24.03 24.53	1.88 1.92 1.96 2.00 2.04	None	Sep-2023	3 Months
40. Office Space 3rd Tier (3 of 9) Suite: Auto Lease-Up 7/1/2018 - 9/30/2023 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.00 90,763 1.58 7,564 90,763	Jul-2019 Jul-2020 Jul-2021 Jul-2022 Jul-2023	19.50 20.00 20.50 21.00 21.50	1.63 1.67 1.71 1.75 1.79	None	Jul-2018	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	10.75 51,359	3.47 16,556			Market - 70.00 %
N/A		New BY	15.00 71,655	4.03 19,227			Market - 70.00 %
N/A		New BY	9.27 44,303	3.01 14,377			Market - 70.00 %
N/A		New BY	15.00 71,655	4.03 19,227			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

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Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
40. Office Space 3rd Tier (3 of 9) Suite: Auto Lease-Up 12/1/2023 - 2/28/2029 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.03 105,219 1.84 8,768 105,219	Dec-2024 Dec-2025 Dec-2026 Dec-2027 Dec-2028	22.53 23.03 23.53 24.03 24.53	1.88 1.92 1.96 2.00 2.04	None	Dec-2023	3 Months
42. Office Space 3rd Tier (4 of 9) Suite: Auto Lease-Up 10/1/2018 - 12/31/2023 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.00 90,763 1.58 7,564 90,763	Oct-2019 Oct-2020 Oct-2021 Oct-2022 Oct-2023	19.50 20.00 20.50 21.00 21.50	1.63 1.67 1.71 1.75 1.79	None	Oct-2018	3 Months
42. Office Space 3rd Tier (4 of 9) Suite: Auto Lease-Up 3/1/2024 - 5/31/2029 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.69 108,376 1.89 9,031 108,376	Mar-2025 Mar-2026 Mar-2027 Mar-2028 Mar-2029	23.19 23.69 24.19 24.69 25.19	1.93 1.97 2.02 2.06 2.10	None	Mar-2024	3 Months
44. Office Space 3rd Tier (5 of 9) Suite: Auto Lease-Up 1/1/2019 - 3/31/2024 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.57 93,486 1.63 7,790 93,486	Jan-2020 Jan-2021 Jan-2022 Jan-2023 Jan-2024	20.07 20.57 21.07 21.57 22.07	1.67 1.71 1.76 1.80 1.84	None	Jan-2019	3 Months
44. Office Space 3rd Tier (5 of 9) Suite: Auto Lease-Up 6/1/2024 - 8/31/2029 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.69 108,376 1.89 9,031 108,376	Jun-2025 Jun-2026 Jun-2027 Jun-2028 Jun-2029	23.19 23.69 24.19 24.69 25.19	1.93 1.97 2.02 2.06 2.10	None	Jun-2024	3 Months
46. Office Space 3rd Tier (6 of 9) Suite: Auto Lease-Up 4/1/2019 - 6/30/2024	4,777 0.88%	Base Speculative Office 27-36	19.57 93,486 1.63	Apr-2020 Apr-2021 Apr-2022	20.07 20.57 21.07	1.67 1.71 1.76	None	Apr-2019	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.27 44,303	3.01 14,377			Market - 70.00 %
N/A		New BY	15.00 71,655	4.03 19,227			Market - 70.00 %
N/A		New BY	9.55 45,632	3.10 14,787			Market - 70.00 %
N/A		New BY	15.45 73,805	4.14 19,772			Market - 70.00 %
N/A		New BY	9.55 45,632	3.10 14,787			Market - 70.00 %
N/A		New BY	15.45 73,805	4.14 19,772			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name	Initial Area Building Share %	Lease Period	Rate Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
Suite Number		Lease Status	Amount Per Year						
Lease Dates		Market Leasing	Rate Per Month						
Lease Term		Amount Per Month	Amount Per Month						
Tenure		Lease Type	Rental Value Per Year						
5 Years 3 Months Freehold		Office	7,790 93,486	Apr-2023 Apr-2024	21.57 22.07	1.80 1.84			
46. Office Space 3rd Tier (6 of 9) Suite: Auto Lease-Up 9/1/2024 - 11/30/2029 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.69 108,376 1.89 9,031 108,376	Sep-2025 Sep-2026 Sep-2027 Sep-2028 Sep-2029	23.19 23.69 24.19 24.69 25.19	1.93 1.97 2.02 2.06 2.10	None	Sep-2024	3 Months
48. Office Space 3rd Tier (7 of 9) Suite: Auto Lease-Up 7/1/2019 - 9/30/2024 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.57 93,486 1.63 7,790 93,486	Jul-2020 Jul-2021 Jul-2022 Jul-2023 Jul-2024	20.07 20.57 21.07 21.57 22.07	1.67 1.71 1.76 1.80 1.84	None	Jul-2019	3 Months
48. Office Space 3rd Tier (7 of 9) Suite: Auto Lease-Up 12/1/2024 - 2/28/2030 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	22.69 108,376 1.89 9,031 108,376	Dec-2025 Dec-2026 Dec-2027 Dec-2028 Dec-2029	23.19 23.69 24.19 24.69 25.19	1.93 1.97 2.02 2.06 2.10	None	Dec-2024	3 Months
50. Office Space 3rd Tier (8 of 9) Suite: Auto Lease-Up 10/1/2019 - 12/31/2024 5 Years 3 Months Freehold	4,777 0.88%	Base Speculative Office 27-36 Office	19.57 93,486 1.63 7,790 93,486	Oct-2020 Oct-2021 Oct-2022 Oct-2023 Oct-2024	20.07 20.57 21.07 21.57 22.07	1.67 1.71 1.76 1.80 1.84	None	Oct-2019	3 Months

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.55 45,632	3.10 14,787			Market - 70.00 %
N/A		New BY	15.45 73,805	4.14 19,772			Market - 70.00 %
N/A		New BY	9.55 45,632	3.10 14,787			Market - 70.00 %
N/A		New BY	15.45 73,805	4.14 19,772			Market - 70.00 %

Lease Summary Report

909 POYDRAS (Amounts in USD, Measures in SF)

As of Sep, 2017

All Tenants/ All Lease Periods

2/22/2018 3:10:31 PM

General Tenant Information			Rent Details				CPI	Free Rent	
Tenant Name Suite Number Lease Dates Lease Term Tenure	Initial Area Building Share %	Lease Period Lease Status Market Leasing Lease Type	Rate Per Year Amount Per Year Rate Per Month Amount Per Month Rental Value Per Year	Rent Changes On Date	Rent Changes To \$/SF-Annual	Rent Changes To \$/SF-Monthly	Type Timing Inflation Rate/Index	Date	Months
50. Office Space 3rd Tier (8 of 9) Suite: Auto Lease-Up 3/1/2025 - 5/31/2030 5 Years 3 Months Freehold	4,777 0.88%	Market Speculative Office 27-36 Office	23.37 111,627 1.95 9,302 111,627	Mar-2026 Mar-2027 Mar-2028 Mar-2029 Mar-2030	23.87 24.37 24.87 25.37 25.87	1.99 2.03 2.07 2.11 2.16	None	Mar-2025	3 Months
52. Office Space 3rd Tier (9 of 9) Suite: Auto Lease-Up 1/1/2020 - 3/31/2025 5 Years 3 Months Freehold	2 0.00%	Base Speculative Office 27-36 Office	20.16 40 1.68 3 40	Jan-2021 Jan-2022 Jan-2023 Jan-2024 Jan-2025	20.66 21.16 21.66 22.16 22.66	1.72 1.76 1.80 1.85 1.89	None	Jan-2020	3 Months
52. Office Space 3rd Tier (9 of 9) Suite: Auto Lease-Up 6/1/2025 - 8/31/2030 5 Years 3 Months Freehold	2 0.00%	Market Speculative Office 27-36 Office	23.37 47 1.95 4 47	Jun-2026 Jun-2027 Jun-2028 Jun-2029 Jun-2030	23.87 24.37 24.87 25.37 25.87	1.99 2.03 2.07 2.11 2.16	None	Jun-2025	3 Months

* Results displayed are based on Forecast data only

Lease Summary Report

% Rent	Miscellaneous Rent	Recovery	Tenant Improvements	Leasing Commissions	Incentives	Security Deposits	Renewal Assumption
Name Sales Volume Breakpoint Overage % / Cap	Name Type Rate \$/SF Total Amount	Structure Name Type Input Amount	Rate \$/SF Total Amount	Rate \$/SF Total Amount	Name Rate \$/SF Total Amount	Security Deposit @ % Percent to Refund Non-Refundable Deposit	Market - % Reabsorb Option
N/A		New BY	9.84 47,001	3.18 15,210			Market - 70.00 %
N/A		New BY	15.91 32	4.26 9			Market - 70.00 %
N/A		New BY	9.84 20	3.18 6			Market - 70.00 %

OPERATING STATEMENT

Entity: NO110 Summary NOI

Hertz Investment Group

Hertz 909 Poydras, LLC

Accrual

Year to date through:	Dec 2013	Dec 2014	Dec 2015	Dec 2016
OPERATING INCOME				
Rental Income	6,649,203	7,146,413	7,582,619	7,389,563
Operating Expense Recovery	171,727	239,284	428,395	252,923
Parking Income	830,757	870,169	885,377	886,259
Other Rental Income	88,743	89,942	63,704	92,222
Other Income	84,367	22,740	2,468	4,712
TOTAL OPERATING INCOME	7,824,797	8,368,549	8,962,563	8,625,679
OPERATING EXPENSES				
Cleaning and Janitorial	507,785	509,411	502,182	494,728
Repair & Maintenance	453,675	513,701	485,672	416,143
Utilities	854,246	857,871	800,870	854,059
CAM	14,798	15,526	18,842	16,256
Security	187,789	184,912	211,763	204,343
Employee Payroll	406,097	409,965	447,424	522,552
General and Administrative	172,443	162,976	153,850	163,755
Management Fee Expense	195,797	214,193	219,665	225,356
Property Taxes	778,968	925,971	851,023	867,191
Insurance	454,767	458,147	454,182	473,605
TOTAL OPERATING EXPENSES	4,026,366	4,252,672	4,145,473	4,237,989
NET OPERATING INCOME	3,798,431	4,115,877	4,817,090	4,387,690

Hertz 909 Poydras, LLC**Twelve Month Trailing Report****For the period from July 01, 2016 through June 30, 2017**

	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Total
Operating Income													
Rent	662,216	630,131	623,260	617,422	566,212	554,559	560,172	576,787	578,791	582,302	588,054	605,782	7,145,688
Operating Expense Recovery	24,361	31,654	24,204	26,076	17,770	24,427	16,643	23,409	23,540	14,990	164,743	(15,399)	376,418
Parking	53,586	53,586	114,655	62,586	78,690	62,138	68,017	78,252	77,912	31,292	51,062	83,783	815,559
Other Rental/Sales Income	6,724	5,249	8,691	6,271	3,803	6,174	3,818	4,388	5,327	7,343	(1,346)	3,604	60,046
Other Income	13	-	284	95	52	2,187	224	10,220	193	423	642	15,705	30,038
Total Income	746,900	720,620	771,094	712,450	666,527	649,485	648,874	693,056	685,763	636,350	803,155	693,475	8,427,749
Expenses													
Cleaning/Janitorial	41,122	41,182	50,877	38,766	38,439	43,911	38,136	39,927	39,693	39,361	39,056	38,207	488,677
Repair & Maintenance	16,800	32,459	19,944	26,236	29,790	39,621	39,071	29,600	22,120	41,082	35,358	39,117	371,198
Utilities	80,781	72,209	76,554	61,865	73,912	89,589	73,903	68,923	80,392	76,701	71,584	81,137	907,550
CAM	1,266	1,667	1,708	1,102	1,106	1,189	1,107	1,107	1,112	1,112	1,469	1,112	15,057
Parking	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	20,032	9,819	20,920	17,154	23,742	16,844	15,206	15,979	15,666	19,015	16,263	17,540	208,180
Employee Payroll and Benefits	42,349	43,330	43,484	42,448	38,245	62,995	44,355	46,179	54,720	44,935	48,806	46,637	558,483
General and Administrative	12,695	12,159	14,085	12,139	19,387	14,371	15,773	18,057	9,945	10,195	9,950	9,635	158,391
Management Fee	17,719	24,512	17,191	19,965	19,616	18,162	15,108	15,005	14,853	14,821	15,802	16,956	209,707
Property and Business Taxes	71,369	71,369	71,369	71,369	71,369	71,369	80,254	69,372	69,372	69,372	84,338	72,355	873,277
Insurance	40,060	40,060	40,060	40,060	42,050	40,060	40,060	40,060	40,060	40,060	40,060	17,574	460,224
Non-Pass Through Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	344,193	348,766	356,192	331,104	357,656	398,111	362,973	344,209	347,933	356,654	362,686	340,270	4,250,744
Net Operating Income / (Loss)	402,708	371,855	414,902	381,347	308,871	251,375	285,901	348,847	337,831	279,697	440,469	353,206	4,177,006

PROJ:	NO110	Hertz 909 Poydras, LLC 12 MONTH TRAILING INCOME STATEMENT Hertz 909 Poydras, LLC 01/17 to 12/17										Date:	2/9/2018	Page:	1	Time:	8:56 AM
		Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Total			
<u>OPERATING INCOME</u>																	
Rental Income	560,173	576,787	578,791	582,301	588,055	605,782	616,774	582,451	576,714	573,001	648,141	648,184	7,137,153				
Operating Expense Recovery	16,644	23,409	23,539	14,991	164,744	(15,399)	37,229	260	36,589	47,817	36,853	26,119	412,794				
Parking Income	68,017	78,252	77,912	31,292	51,062	83,783	109,065	50,748	59,011	86,244	91,118	61,303	847,806				
Other Rental Income	3,818	4,388	5,328	7,344	(1,345)	3,604	2,440	5,281	4,311	5,475	6,543	(2,749)	44,437				
Other Income	224	10,220	193	423	642	15,705	541	519	502	413	84	615	30,083				
TOTAL OPERATING INCOME	648,875	693,057	685,763	636,350	803,158	693,475	766,048	639,259	677,127	712,950	782,740	733,472	8,472,274				
<u>OPERATING EXPENSES</u>																	
Cleaning and Janitorial	38,137	39,928	39,694	39,361	39,057	38,207	39,363	39,291	41,069	60,099	53,747	45,614	513,567				
Repair & Maintenance	17,382	29,599	22,119	41,081	35,358	39,116	46,768	24,625	36,602	69,362	30,144	47,748	439,902				
Utilities	73,903	68,922	80,392	76,701	71,584	81,138	80,458	84,137	83,567	67,862	72,197	79,284	920,145				
CAM	1,106	1,106	1,112	1,112	1,469	1,112	1,112	1,112	1,112	17,286	3,299	1,482	32,418				
Security	15,206	15,979	15,666	19,015	16,263	17,540	17,213	16,553	15,613	33,864	17,327	11,163	211,402				
Employee Payroll	44,355	46,178	54,719	44,935	48,806	46,638	49,252	49,573	53,573	47,434	48,530	76,415	610,408				
General and Administrative	10,981	18,057	9,945	10,193	9,949	9,636	10,852	13,686	14,452	13,455	15,447	28,742	165,396				
Management Fee Expense	30,216	30,010	29,705	29,641	31,604	33,911	37,745	29,293	31,435	37,360	40,716	43,583	405,219				
Property Taxes	80,254	69,372	69,372	69,372	84,338	72,355	72,355	72,355	72,355	72,355	72,355	72,355	879,195				
Insurance	40,060	40,060	40,060	40,060	40,060	17,574	17,735	17,654	21,026	17,654	17,654	20,060	329,660				
Non-Pass Operating Expenses	0	0	0	0	0	0	0	0	3,112	0	0	9,301	12,413				
TOTAL OPERATING EXPENSES	351,600	359,212	362,785	371,473	378,488	357,226	372,852	348,279	373,916	436,731	371,417	435,746	4,519,725				
NET OPERATING INCOME	297,275	333,845	322,979	264,878	424,670	336,249	393,195	290,980	303,210	276,219	411,324	297,726	3,952,548				

PROJ:	NO110	Hertz 909 Poydras, LLC MONTHLY ANNUAL BUDGET As of December 31, 2018											Date: 11/8/2017	Page: 1 Time: 1:22 PM
		Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Total
<u>OPERATING INCOME</u>														
Rental Income		645,887	638,854	644,068	654,377	649,062	674,854	654,327	692,833	693,415	696,135	696,309	696,351	8,036,473
Operating Expense Recovery		27,798	29,140	30,797	22,246	22,845	22,411	26,629	25,317	25,629	26,069	21,942	26,657	307,480
Parking Income		79,520	78,351	80,148	81,263	79,325	81,263	80,140	81,448	81,231	70,754	78,126	78,980	950,549
Other Rental Income		4,542	4,542	4,542	4,542	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	54,630
TOTAL OPERATING INCOME		757,747	750,886	759,554	762,428	755,790	783,087	765,653	804,156	804,833	797,516	800,935	806,546	9,349,132
<u>OPERATING EXPENSES</u>														
Cleaning and Janitorial		42,545	45,457	44,749	44,949	44,995	57,645	43,395	45,651	45,851	47,551	45,651	44,702	553,146
Repair & Maintenance		85,448	36,241	18,836	28,169	22,961	25,971	21,141	60,151	60,217	20,481	32,099	22,391	434,110
Utilities		83,403	78,302	75,950	81,279	76,661	85,778	87,641	89,943	81,510	66,103	78,118	95,189	979,877
CAM		1,866	1,166	2,366	2,266	1,566	1,166	1,466	1,566	1,166	4,666	2,366	1,166	22,795
Security		18,715	18,719	23,100	19,515	18,915	18,519	18,715	18,719	18,715	18,519	20,075	19,875	232,104
Employee Payroll		53,991	52,641	51,991	51,991	52,641	51,991	51,991	52,641	52,495	52,495	53,145	52,495	630,513
General and Administrative		18,062	12,687	13,426	10,919	11,937	11,346	14,609	12,267	12,546	12,019	15,102	29,646	174,566
Management Fee Expense		36,933	36,562	36,822	37,338	37,006	38,295	37,264	39,168	39,140	39,276	39,285	39,280	456,368
Property Taxes		83,532	72,569	72,569	72,569	72,569	72,569	72,569	72,569	72,569	72,569	72,569	72,569	881,796
Insurance		17,504	17,504	17,504	17,504	17,504	23,794	18,361	18,361	18,361	20,719	18,361	18,361	223,839
TOTAL OPERATING EXPENSES		442,001	371,850	357,316	366,501	356,757	387,077	367,154	411,038	402,572	354,401	376,773	395,675	4,589,114
NET OPERATING INCOME		315,746	379,036	402,239	395,927	399,033	396,010	398,500	393,119	402,261	443,116	424,162	410,870	4,760,019
<u>NON-OPERATING EXPENSES</u>														
Financing, Legal and Audit		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Leasing Costs		1,950	1,350	1,050	2,050	4,938	1,350	1,050	1,050	2,950	5,134	1,350	1,950	26,172
Space Preparation		667	3,667	667	667	667	667	667	667	3,667	667	667	4,297	17,630
Other Non-Operating Expense		2,258	2,308	2,258	2,283	2,258	2,258	2,358	2,258	2,258	2,283	2,258	2,258	27,300
TOTAL NON-OPERATING EXPENSES		7,875	10,325	6,975	8,000	10,863	7,275	7,075	6,975	11,875	11,084	7,275	11,505	107,102
EBITDA		307,871	368,711	395,264	387,927	388,170	388,735	391,425	386,144	390,386	432,032	416,887	399,365	4,652,917
Mortgage Interest		229,304	206,891	228,719	221,101	228,191	220,587	227,658	227,405	219,824	226,865	219,299	226,865	2,682,709
NET BEFORE DEPRECIATION & AMORTIZATION		78,567	161,820	166,545	166,826	159,979	168,148	163,767	158,739	170,562	205,167	197,588	172,500	1,970,208
NET INCOME		78,567	161,820	166,545	166,826	159,979	168,148	163,767	158,739	170,562	205,167	197,588	172,500	1,970,208
<u>Capital Improvements and Leasing Commissions</u>														
1640-0000 Building Improvements		79,000	190,625	155,500	150,000	150,625	122,458	0	45,000	75,000	0	0	0	968,208

PROJ: NO110		Hertz 909 Poydras, LLC MONTHLY ANNUAL BUDGET As of December 31, 2018										Date: 11/8/2017	Page: 2 Time: 1:22 PM
		Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018 Total
1650-0000 Tenant Improvements - New/Expansion		105,768	188,157	2,569	342,008	23,607	0	159,534	80,650	6,992	0	0	0 909,284
1660-0000 Leasing Commissions - New/Expansion		55,659	0	38,556	6,076	50,313	28,028	0	34,104	33,210	0	0	0 245,945
Capital Improvements and Leasing Commissions		240,427	378,782	196,625	498,085	224,544	150,486	159,534	159,753	115,201	0	0	0 2,123,436

RENT ROLL

Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 1
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF

Leased and Unoccupied Suites

NO110	1300	Raymond James & Associates	3/7/1994	12/31/2019	16,100	v	22,371.20		1,187.69				
			Stop Bill Date:	11/30/2017									

New Leases

NO110	-2700	Sher Garner Cahill Richter	1/1/2018	12/31/2027	20,766		29,539.64	17.07					
										BRO	1/1/2018	29,539.64	17.07
										BRO	1/1/2021	30,404.89	17.57
										BRO	1/1/2023	31,270.14	18.07
										BRO	1/1/2025	32,135.39	18.57
NO110	-2800	Sher Garner Cahill Richter	1/1/2018	12/31/2027	11,426		16,253.49	17.07					
										BRO	1/1/2018	16,253.49	17.07
										BRO	1/1/2021	16,729.57	17.57
										BRO	1/1/2023	17,205.65	18.07
										BRO	1/1/2025	17,681.74	18.57
NO110	-3000	AIG Domestic Claims, Inc.	1/1/2018	12/31/2024	6,821		10,231.50	18.00					
										BRA	1/1/2018	-10,231.50	-18.00
										BRA	4/1/2018	0.00	0.00
										BRO	1/1/2018	10,231.50	18.00
										BRO	1/1/2020	10,430.45	18.35
										BRO	1/1/2022	10,657.81	18.75
NO110	-3025	Beau Box New Orleans LLC	3/1/2018	6/30/2023	5,877		8,570.63	17.50					
										BRA	3/1/2018	-8,570.63	-17.50
										BRA	7/1/2018	0.00	0.00
										BRO	3/1/2018	8,570.63	17.50
										BRO	7/1/2020	9,060.38	18.50
										BRO	7/1/2021	9,305.25	19.00

Vacant Suites

NO110	0175	Vacant			8,655								
NO110	1050	Vacant			4,854								
NO110	1075	Vacant			888								
NO110	1125	Vacant			4,388								
NO110	1165	Vacant			1,776								

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 2
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
NO110 1185	Vacant			1,000									
no110 1230	Vacant			3,211									
NO110 1325	Vacant			1,247									
NO110 1355	Vacant			2,424									
NO110 1450	Vacant			2,620									
NO110 1550	Vacant			4,043									
NO110 1850	Vacant			4,077									
NO110 1865	Vacant			1,198									
NO110 2000	Vacant			20,263									
NO110 2100	Vacant			2,346									
NO110 2190	Vacant			1,923									
NO110 2690	Vacant			1,849									
NO110 2850	Vacant			8,984									
NO110 2925	Vacant			3,110									
NO110 3025	Vacant			5,877									
NO110 3050	Vacant			5,875									
NO110 3075	Vacant			1,384									
NO110 3500	Vacant			12,866									
NO110 3700	Vacant			5,999									

Occupied Suites

NO110 0100	First Bank and Trust	4/1/2016	3/31/2026	10,188	14,220.75	16.75	517.59			BRO	4/1/2021	15,069.75	17.75
NO110 0125	City Greens	3/1/2011	8/31/2019	2,130	3,395.58	19.13	176.95						

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 3
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
NO110 0130	Yong Cheng	9/1/2015	8/31/2020	80	475.00	71.25							
NO110 0140	Blanchard and Company, Inc.	1/1/2011	9/30/2023	1,191	1,687.25	17.00	73.75			BRO	10/1/2018	1,786.50	18.00
NO110 0150	Blanchard and Company, Inc.	10/22/1999	9/30/2023	3,310	4,689.17	17.00	204.93			BRO	10/1/2018	4,965.00	18.00
NO110 1000	McCranie Sistrunk Anzelmo etal	2/1/2013	7/31/2024	14,490	20,527.50	17.00	1,156.27			BRA	7/1/2018	-22,640.63	-18.75
										BRA	8/1/2018	0.00	0.00
										BRO	7/1/2018	22,640.63	18.75
NO110 1100	Scott Vicknair Hair & Checki	6/1/2016	10/31/2023	5,523	7,939.31	17.25				BRO	11/1/2019	8,284.50	18.00
										BRO	11/1/2021	8,629.69	18.75
NO110 1150	Robert Half International, Inc	4/1/2016	5/31/2021	4,701	7,149.44	18.25	155.05			BRO	6/1/2018	7,345.31	18.75
										BRO	6/1/2019	7,541.19	19.25
NO110 1175	Vanir Construction Management	11/1/2015	11/30/2018	1,815	2,835.94	18.75	132.21						
NO110 1200	Jacobs Engineering Group, Inc.	12/1/2016	11/30/2019	13,115	20,218.96	18.50							
NO110 1240	CSRS, Inc	12/1/2016	11/30/2019	1,437	2,215.38	18.50							
NO110 1250	Weiler & Rees, LLC	3/1/2017	4/30/2020	2,519	3,830.98	18.25				BRO	11/1/2018	3,935.94	18.75
NO110 1300	Raymond James & Associates	12/1/2017	12/31/2019	16,100	26,162.51	19.50	1,187.69						
NO110 1400	Middleberg	12/20/2013	10/31/2021	10,479	15,281.88	17.50	569.01			BRO	10/1/2018	15,718.50	18.00
NO110 1425	Resolvit, LLC	9/1/2015	9/30/2020	3,363	5,324.75	19.00	208.20			BRO	10/1/2018	5,464.88	19.50
NO110 1475	Hertz - Property Management	9/1/2017	12/31/2050	3,470	8,301.00	28.71							
NO110 1500	Breazeale,Sachse & Wilson,LLP	6/1/1998	8/31/2018	8,620	13,289.17	18.50	699.96						
NO110 1575	Breazeale, Sachse & Wilson LLP	2/1/2012	8/31/2018	3,389	5,224.71	18.50	275.34						
NO110 1580	Coker & Palmer, Inc.	6/1/2015	6/30/2018	2,019	3,112.63	18.50	102.58						
NO110 1590	Breazeale, Sachse & Wilson,LLP	1/1/2010	8/31/2018	1,974	3,043.25	18.50	160.29						
NO110 1600	Schonekas Evans McGoey McEachi	3/1/2012	2/28/2023	10,965	16,904.38	18.50	1,194.47						
NO110 1615	BOI Construction LLC	9/1/2015	11/30/2020	1,013	1,392.88	16.50	73.30			BRO	12/1/2018	1,435.08	17.00

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 4
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
NO110 1625	Alvendia, Kelly & Demarest,LLC	5/1/2015	6/30/2020	5,550	8,556.25	18.50	401.64						
NO110 1627	Alvendia, Kelly & Demarest,LLC	5/1/2015	6/30/2020	1,008	1,554.00	18.50	72.94						
NO110 1630	Tidewater Marine, Inc.	2/1/2015	1/31/2018	1,459	2,370.88	19.50	180.38						
NO110 1700	First Bank and Trust	4/1/2016	3/31/2026	13,117	18,309.15	16.75	666.41			BRO	4/1/2021	19,402.23	17.75
NO110 1717	First Bank and Trust	4/1/2016	3/31/2026	2,015	2,812.60	16.75	102.36			BRO	4/1/2021	2,980.52	17.75
NO110 1750	First Bank and Trust	4/1/2016	3/31/2026	2,675	3,733.85	16.75	135.90			BRO	4/1/2021	3,956.77	17.75
NO110 1780	First Bank and Trust	4/1/2016	3/31/2026	2,422	3,380.71	16.75	123.05			BRO	4/1/2021	3,582.54	17.75
NO110 1800	Garrison Yount Forte & Mulcahy	9/1/2017	10/31/2020	5,088	7,788.88	18.37				BRO	11/1/2018	7,844.00	18.50
NO110 1820	Garrison Yount Forte & Mulcahy	9/1/2017	10/31/2020	1,273	1,948.75	18.37				BRO	11/1/2018	1,962.54	18.50
NO110 1825	Spears & Spears LLC	9/1/2017	9/30/2020	1,872	2,808.00	18.00				BRO	10/1/2018	2,886.00	18.50
										BRO	10/1/2019	2,964.00	19.00
NO110 1860	Bland & Partners, PLLC	9/1/2016	10/31/2021	5,670	8,741.25	18.50	288.07						
NO110 1900	Blanchard and Company, Inc.	11/1/1999	9/30/2023	20,282	28,732.83	17.00	1,255.64			BRO	10/1/2018	30,423.00	18.00
NO110 2120	Lanier Parking Solutions of LA	6/1/2017	5/31/2020	1,339	1,896.92	17.00				BRO	6/1/2018	1,952.71	17.50
										BRO	6/1/2019	2,008.50	18.00
NO110 2150	Moses Engineers, Inc.	7/1/2017	9/30/2020	9,839	14,348.54	17.50				BRO	4/1/2019	15,168.46	18.50
NO110 2170	Building Conference Facility	12/30/2013	12/31/2013	2,207									
NO110 2195	Gori Julian & Associates PC	7/1/2017	7/31/2020	1,917	2,875.50	18.00				BRO	8/1/2018	2,955.38	18.50
										BRO	8/1/2019	3,035.25	19.00
NO110 2200	Marigny Capital Services, LLC	7/1/2014	10/31/2021	4,148	6,308.41	18.25	266.47			BRO	11/1/2019	6,481.25	18.75
NO110 2230	Marigny Capital Services, LLC	7/1/2014	10/31/2021	7,088	10,779.67	18.25	455.33			BRO	11/1/2019	11,075.00	18.75
NO110 2250	Capitol Energy Group Inc.	10/1/2017	2/28/2023	3,370	5,055.00	18.00				BRA	3/1/2018	0.00	0.00
										BRO	3/1/2020	5,195.42	18.50
										BRO	3/1/2021	5,335.83	19.00
NO110 2260	First Insurance Agency Inc.	2/1/2015	4/30/2020	2,392	3,637.83	18.25	148.09			BRO	5/1/2018	3,687.67	18.50
NO110 2270	John Fuller	4/1/2015	3/31/2020	1,866	2,954.50	19.00	135.94			BRO	4/1/2018	3,032.25	19.50

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 5
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
no110 2280	Marigny Capital Services, LLC	8/1/2015	10/31/2021	817	1,242.52	18.25	52.49			BRO	11/1/2019	1,276.56	18.75
NO110 2300	Milling Benson Woodward, LLP	3/1/2016	2/28/2019	9,818	15,136.08	18.50	365.92						
NO110 2350	Barrasso Usdin Kupperman etal	7/1/2011	12/31/2019	8,815	14,140.73	19.25	508.30			BRO	1/1/2018	14,324.38	19.50
										BRO	1/1/2019	14,691.67	20.00
NO110 2400	Barrasso Usdin Kupperman etal	5/1/2003	12/31/2019	18,377	27,565.50	18.00	1,059.67			BRO	1/1/2018	29,862.63	19.50
										BRO	1/1/2019	30,616.70	19.99
NO110 2410	Milling Benson Woodward, LLP	3/1/2016	2/28/2019	265	408.55	18.50	9.87						
NO110 2425	Barrasso Usdin Kupperman-Exp B	3/1/2009	12/31/2019	1,400	2,245.83	19.25	80.72			BRO	1/1/2018	2,275.00	19.50
										BRO	1/1/2019	2,333.34	20.00
NO110 2500	Stanley, Flanagan & Reuter,LLC	11/1/1997	4/30/2018	12,451	18,676.50	18.00	1,011.03						
NO110 2550	Stanley, Flanagan & Reuter,LLC	2/1/2013	4/30/2018	4,116	6,174.00	18.00	334.26						
NO110 2570	Iris Data Services, Inc.	12/20/2014	1/31/2020	2,893	4,662.55	19.34	209.32			BRO	2/1/2018	4,783.09	19.84
NO110 2600	Sullivan Stolier LC	2/1/2017	7/31/2019	8,166	12,589.26	18.50	594.89						
NO110 2620	Evangeline Securities LLC	11/1/2016	4/30/2020	2,684	3,802.33	17.00				BRO	5/1/2018	3,914.17	17.50
										BRO	5/1/2019	4,026.00	18.00
NO110 2650	Alliant Insurance Services Inc	10/1/2017	4/30/2023	6,333	9,235.63	17.50				BRO	5/1/2018	9,499.50	18.00
										BRO	5/1/2019	9,763.38	18.50
										BRO	5/1/2020	10,027.25	19.00
										BRO	5/1/2021	10,291.13	19.50
										BRO	5/1/2022	10,555.00	20.00
NO110 2660	MV Health Administrators Inc	5/13/2017	6/30/2019	1,262	1,945.58	18.50							
NO110 2700	Sher Garner Cahill Richter	1/1/2006	12/31/2017	20,766	27,601.48	15.95	4,021.74						
NO110 2800	Sher Garner Cahill Richter	1/1/2006	12/31/2017	11,426	15,398.76	16.17	2,212.84						
NO110 2900	KPMG, LLP	1/1/2005	5/31/2021	11,974	19,208.29	19.25	1,075.45						
NO110 2950	Glago Law Firm / Klotz & Early	1/1/2013	7/31/2018	5,152	7,728.00	18.00	425.50						
NO110 3000	AIG Domestic Claims, Inc.	10/1/2017	12/31/2017	6,821	10,231.50	18.00	549.96						
NO110 3100	PricewaterhouseCoopers LLP	11/1/2014	4/30/2025	7,851	11,940.06	18.25	489.83			BRO	5/1/2018	12,103.63	18.50

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 6
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
										BRO	5/1/2019	12,267.19	18.75
										BRO	5/1/2020	12,430.75	19.00
										BRO	5/1/2021	12,594.31	19.25
										BRO	5/1/2022	12,757.88	19.50
										BRO	5/1/2023	12,921.44	19.75
										BRO	5/1/2024	13,085.00	20.00
NO110 3150	Stone Pigman Walther Wittmann	8/1/2017	10/31/2032	8,510	13,474.17	19.00				BRO	11/1/2020	14,183.33	20.00
										BRO	11/1/2023	14,892.50	21.00
										BRO	11/1/2027	15,601.67	22.00
										BRO	11/1/2029	16,310.83	23.00
NO110 3200	Stone Pigman Walther Wittmann	8/1/2017	10/31/2032	17,119	27,105.08	19.00				BRO	11/1/2020	28,531.67	20.00
										BRO	11/1/2023	29,958.25	21.00
										BRO	11/1/2027	31,384.83	22.00
										BRO	11/1/2029	32,811.42	23.00
NO110 3300	Stone Pigman Walther Wittmann	8/1/2017	10/31/2032	17,119	27,105.08	19.00				BRO	11/1/2020	28,531.67	20.00
										BRO	11/1/2023	29,958.25	21.00
										BRO	11/1/2027	31,384.83	22.00
										BRO	11/1/2029	32,811.42	23.00
NO110 3400	Kean Miller	10/27/2013	10/31/2028	16,731	27,885.00	20.00	899.83			BRO	4/1/2020	29,279.25	21.00
										BRO	4/1/2023	30,673.50	22.00
										BRO	4/1/2026	32,067.75	23.00
NO110 3600	Kean Miller	10/27/2013	10/31/2028	13,875	23,125.00	20.00	746.22			BRO	4/1/2020	24,281.25	21.00
										BRO	4/1/2023	25,437.50	22.00
										BRO	4/1/2026	26,593.75	23.00
NO110 ANT01	Morgan Keegan & Co., Inc (Ant)	4/12/1994	12/31/2019	0					250.00				
NO110 LIC01	Time Warner Telecom of LA, LLC	2/1/2009	1/31/2014	0					300.00				
NO110 ST213	Advantage Capital Management	7/1/2014	11/30/2021	0					45.84				
NO110 ST306	Milling Benson Woodward, LLP	9/8/1990	12/31/2050	0					237.00				
NO110 ST312	Silbert & Garon, LLP	6/1/2002	12/31/2050	0					53.00				
NO110 ST315	Advantage Capital Management	7/1/2014	11/30/2021	0					53.33				
NO110 ST407	BLDG MGMT-Wallcovering Stg	12/30/2013	12/31/2013	0									
NO110 ST411	Moses Engineers, Inc.	4/1/2002	12/31/2050	0					60.00				
NO110 ST412	Garrison Yount Forte & Mulcahy	6/18/2004	12/31/2050	0					60.00				

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Database: HERTZ
Bldg Status: Active only

Rent Roll
909 Poydras Street
12/31/2017

Page: 7
Date: 1/8/2018
Time: 12:45 PM

Bldg Id-Suit Id	Occupant Name	Rent Start	Expiration	GLA Sqft	Monthly Base Rent	Annual Rate PSF	Monthly Cost Recovery	Expense Stop	Monthly Other Income	----- Future Rent Increases -----			
										Cat	Date	Monthly Amount	PSF
NO110 ST414	KPMG, LLP	3/1/2005	12/31/2050	0					31.50				
NO110 ST415	Sher Garner Cahill Richter...	1/1/2002	12/31/2050	0					60.00				
NO110 ST514	Advantage Capital Management	7/1/2014	11/30/2021	0					36.00				
NO110 ST615	Silbert & Garon, LLP	11/1/2001	12/31/2050	0					53.00				
NO110 ST711	Breazeale, Sachse & Wilson LLP	2/1/2012	12/31/2050	0					70.00				
NO110 ST713	BLDG MGMT - Car Wash	12/30/2013	12/31/2013	0									
NO110 STRMEZ	Blanchard and Company, Inc.	10/1/2006	9/30/2023	1,071	892.50	10.00	66.32						
NO110 TEL02	Skycom 1	12/30/2013	12/31/2013	0					325.00				
NO110 TEL03	Cox Communications La., L.L.C.	11/1/2010	10/31/2015	0					425.00				
NO110 TEL04	Cogent Communications	2/1/2014	1/31/2024	0					546.36	OAT	5/1/2018	562.75	0.00
										OAT	5/1/2019	579.64	0.00
										OAT	5/1/2020	597.03	0.00
										OAT	5/1/2021	614.94	0.00
										OAT	5/1/2022	633.39	0.00
										OAT	5/1/2023	652.39	0.00
Totals:	Occupied Sqft:	79.67%	68 Units	434,300	655,335.92		25,833.97		2,606.03				
	Leased/Unoccupied Sqft:		0 Units	0									
	Vacant Sqft:	20.33%	24 Units	110,857									
	Total Sqft:		92 Units	545,157	655,335.92								
Total 909 Poydras Street:	Occupied Sqft:	79.67%	68 Units	434,300	655,335.92		25,833.97		2,606.03				
	Leased/Unoccupied Sqft:		0 Units	0									
	Vacant Sqft:	20.33%	24 Units	110,857									
	Total Sqft:		92 Units	545,157	655,335.92								
Grand Total:	Occupied Sqft:	79.67%	68 Units	434,300	655,335.92		25,833.97		2,606.03				
	Leased/Unoccupied Sqft:		0 Units	0									
	Vacant Sqft:	20.33%	24 Units	110,857									
	Total Sqft:		92 Units	545,157	655,335.92								

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PROFESSIONAL QUALIFICATIONS



Ronald K. Owens, Jr., MAI, MRICS, ASA
Managing Director
Work: 214.269.0542
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PROFILE

Ronald is a Managing Director of BBG with extensive experience in commercial real estate and business valuation. He started with Butler Burgher, Inc. in 1996 and has significant expertise with valuation of a wide range of retail and credit net lease properties. His experience also includes analysis of hotels and motels; industrial properties; office buildings; multi-family properties; and vacant land. Ronald also has significant experience in the valuation of complex special purpose and mixed-use properties. A sampling of these includes marinas, bowling and entertainment facilities; healthcare properties and various athletic facilities.

Prior to joining Butler Burgher, Inc., Ronald was President of Ronald K. Owens & Associates, Inc., his own commercial real estate consulting and appraisal firm based in Mineral Wells, Texas. For three years, Ronald served as a consultant, developing commercial appraisals for many clients, ranging from individuals to national financial institutions.

Ronald has vast experience in commercial real estate appraisal at many firms in the Texas region. He was Senior Associate at Realty Counselors of Texas, Inc. in Houston and Michael L. Murphy & Associates, Inc. in Dallas. Earlier in his career, Ronald was an Associate at Alliance Appraisal Group, Inc. in Dallas, First American Real Estate Appraisers, Inc. in Austin and Michael B. O'Connell & Associates in Houston.

PROFESSIONAL AFFILIATIONS & LICENSES

Appraisal Institute

MAI Designation, 2013

Royal International Charter of Surveyors (MRICS #0082677)

American Society of Appraisers (ASA)

Designated Member - 2015

General Certified Appraiser:

State of Texas (License # TX-1324625-G)
State of Georgia (License # 319499)
State of New York (License # 46000048277)
State of New Mexico (License # 02832-G)
State of Pennsylvania (License # GA003630)
State of Arkansas (License # CG3079N)
State of California (License # AG043668)
State of Arizona (License # 31606)
State of Ohio (License # 2007003824)
State of Kansas (License # G 2787)
State of Minnesota (License # 40183884)
State of Missouri (License # 200835903)
State of Nevada (License # A0206082)
State of Virginia (License # 4001015305)
State of Idaho (License # CGA 3310)
State of Iowa (License #CG03166)
State of West Virginia (License #CG428)
State of New Hampshire (License #NHCG 824)
State of Connecticut (License #RCG 0001370)
State of Maine (License #CG3289)
State of North Dakota (License #214110)
State of Oregon (License #C001192)

State of New Jersey (License # 42RG00217000)
State of Oklahoma (License # 11637CGA)
Commonwealth of Massachusetts (License # 103084)
State of Louisiana (License # G2592)
State of South Carolina (License # CG6470)
State of Tennessee (License # 4327)
State of Alabama (License # G00862)
State of Colorado (License # 100023969)
State of Illinois (License # 553002005)
State of Michigan (License # 120173863)
State of Mississippi (License # GA-915)
State of Nebraska (License # CG211005R)
State of North Carolina (License # A6871)
State of Washington (License # 1102061)
State of Indiana (License #CG41100029)
State of Kentucky (License #4632)
State of Maryland (License #31461)
State of Rhode Island (License # CGA 0020004)
State of Utah (License # 6356000 – CG00)
State of Alaska (License #984)
District of Columbia (License #GA12176)
State of Florida (License #RZ3806)

EDUCATION

Bachelor of Business Administration in Real Estate & Finance
University of Texas - Austin, 1985

COURSEWORK**Appraisal Institute Courses**

Real Estate Appraisal Principles	Capitalization Theory & Techniques Part A
Capitalization Theory & Techniques Part B	Residential Case Studies
National USPAP Update	Standards of Professional Practice, Part A
Standards of Professional Practice, Part B	Business Practices and Ethics
Highest and Best Use and Market Analysis	Advanced Sales Comparison and Cost Approaches

2592
CGA





W. Tanner Garland
Senior Appraiser
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PROFILE

Tanner is a certified general real estate appraiser at BBG. Employment with BBG began in April 2010 as a research analyst. Work experience with in the company has spanned over most of the United States with single and multi-tenant industrial, retail, office, and land being some of the common property types worked on. Further experience includes work on multiple high profile retail and office portfolio valuations.

PROFESSIONAL AFFILIATIONS

General Certified Appraiser

State of Texas (License # TX 1380388 G)
State of Louisiana (License # 3965)
State of Oklahoma (License # 13114CGA)
State of Colorado (License # CG100056285)
State of Illinois (License # 553.002469)

Candidate for Designation:

Appraisal Institute (Member # 542369)

EDUCATION

Texas Tech University – 2004
BBA in Business Administration
Major: Management

COURSEWORK

Appraisal Institute Courses

Basic Appraisal Principles
Basic Appraisal Procedures
Business Practices and Ethics
General Appraiser Sales Comparison Approach
General Appraiser Site Valuation & Cost Approach
General Appraiser Income Approach Part 1
General Appraiser Income Approach Part 2
General Appraiser Market Analysis and Highest & Best Use
General Appraiser Report Writing and Case Studies
Real Estate Finance Statistics and Valuation Modeling
*Advanced Income Capitalization
(* Indicates MAI Coursework completed)

Other Real Estate Course

USPAP
National 15-hour 2014-2015 USPAP Course

3965
CGA





Joel Leitner, MAI, CRE
Managing Director
Work: 212.682.0400
jleitner@bbgres.com

PROFILE

Joel is a Managing Director at BBG. He has over 30 years of experience in real estate valuation, investment analysis, and consultation. Mr. Leitner's experience includes a diversified background in the valuation of real estate on a national basis for a wide range of applications including market value appraisals, property portfolio consulting and management, investment advisory service, valuations and consulting studies for securitization-equity based and mortgage-backed transactions, purchase price allocations, liquidation sale valuations, condemnation, tax reduction, estates, and expert witness testimony for litigation. These activities have been conducted on behalf of foreign and domestic investment firms including major industrial corporations, leading foreign and domestic financial institutions, individual investors, leading law firms, and government agencies.

Mr. Leitner's areas of specialization include preparation of market value appraisals for all types of real estate with a full range of valuation objectives; investment analysis via computer based lease to lease models and discounted cash flow projections before and after taxes; Ad valorem property appraisals; litigation support; consultation in the negotiations of equity investment acquisitions; market and economic feasibility studies for existing property or proposed development projects; and purchase price allocations.

Mr. Leitner's experience in real estate valuation and consulting has encompassed an extremely diverse range of real estate. This experience includes researching and analyzing various real estate markets within the Tristate area along with testifying as an expert witness in several local and federal courts. Mr. Leitner has recently been appointed to the panel of neutral arbitrators by the American Arbitration Association. Appraisal assignments include industrial facilities, shopping centers and malls, office and medical centers, hotel and motel facilities, and apartment complexes.

PROFESSIONAL AFFILIATIONS

MAI designation
CRE designation

New York University, Adjunct Professor, Masters of Real Estate
Executive Committee of the Board of Directors of the New York Chapter
2003 Person of the Year - Appraisal Institute
2008 President of the Metropolitan New York Chapter
Member, Real Estate Board of New York - Real Estate Appraisal Committee
Member, Counselors of Real Estate
Member, Mortgage Bankers Association of New York

General Certified Appraiser:

State of New York (License # 46-3011)
State of New Jersey (License # RG01545)
State of Connecticut (License # RCG0001050)
State of Pennsylvania (License # GA003488)
State of Maryland (License # 28730)

EDUCATION

Master Degree in Real Estate Investment, Finance and Valuation, New York University