U.S. Research Report

Single Tenant Net Lease Retail

H2 2018

Colliers INTERNATIONAL

Accelerating success.

Net Lease Sector Slows in 2018 as Transactions Fall and Cap Rates Rise

Higher Interest Rates Hit Net Lease Sector Despite Broad Gains in Real Estate Capital Markets but Falling Rates Raise Outlook

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The market for net lease retail properties in the U.S. weakened moderately in 2018, in contrast to the broad recovery in the broader commercial real estate (CRE) capital markets. Sales volumes fell sharply despite a significant pick-up in overall commercial property sales, especially in the retail sector. Similarly, capitalization rates (cap rates) rose modestly in the net lease sector as prices fell, while CRE markets overall saw stable-to-falling cap rates and positive price appreciation.

Demand for U.S. net lease property was adversely impacted by the relatively steep rise in longer-term interest rates, which crested at their highest levels in more than seven years in mid-2018. This pushed cap rate spreads to their lowest margins since the recession, making net lease investments relatively less attractive. But rates have since fallen back down and cap rate margins have expanded to their lowest levels in more than a year, when the Federal Reserve (the Fed) signaled an extended pause in additional rates hikes.

The Fed's new stance alone would be positive for the net lease sector. But that favorable shift must be weighed against the reason for the Fed's more dovish policies: the slowdown in economic activity and tighter financial conditions overall, which could hit property transactions of all types, including net lease retail.

Also weighing on the sector is the new FASB accounting standard for leases (ASC 842*), which came into effect in December 2018 and mandates that leases longer than a year must be recorded on a company's balance sheet. The new standard is expected to reduce tenant demand for long-term leases, and hence the market for net lease assets.

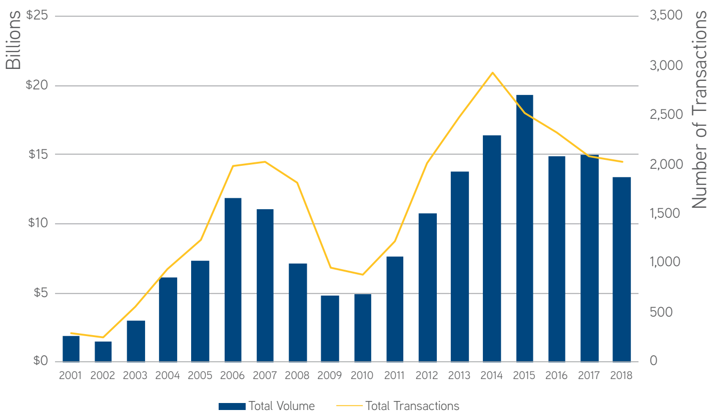
Nonetheless, we see continued vigor in U.S. property markets on the strength of robust operating fundamentals and still compelling property returns. Moreover, the U.S. economy is outperforming every other advanced economy, making the U.S. an attractive investment for off-shore and domestic investors alike. Thus, market conditions overall are still favorable for net lease retail, though a return to the peak levels of 2015 appear unlikely.

Among the major trends from the last year:

- The dollar volume of single tenant net lease (STNL) retail property transactions fell 10.6% in 2018 versus 2017, while the number of transactions declined 2.6% year over year. After peaking in 2015, the transaction volume has declined to below 2013 levels. By contrast, overall retail transactions were about flat (-0.2% year over year) and the dollar volume jumped 31.5% to approach 2015 highs. Meanwhile, overall CRE sales volume rose almost 15% on the strength of a 6.8% gain in transactions.
- Similarly, of the key retail chains we track, STNL transactions decreased 5.5% in 2018 versus a year earlier, while volume was down 9.9%. Moreover, the pace of activity slowed in the second half (H2) of 2018: transaction volume was down 7.1%, falling to -13.1%. All regions saw lower volume in 2018 versus 2017, though the Midwest reported a greater number of transactions.
- Of the major sectors we track, fast casual restaurants saw the greatest pickup in volume, in part due to three significant Chili's portfolio sales. On the other hand, the volume of dollar store and drug store sales fell sharply, while quick-service restaurants (QSR) were about even with 2017.
- The volume of both portfolio sales and single-asset sales both declined last year, though sales through portfolios fell less (3.6% versus 11.1%, respectively).
- According to Creditntell, of every incremental dollar added to retail, a quarter is captured by e-commerce retailers—a factor that will continue to play out in investor minds as they evaluate opportunities. In 2018, sectors that investors perceive as less vulnerable to e-commerce slightly exceeded or matched their pace of volume and transactions in 2017. Fast casual and QSR activity were slightly above or at 2017 activity, whereas dollar and drug sectors were significantly off their previous year's pace.

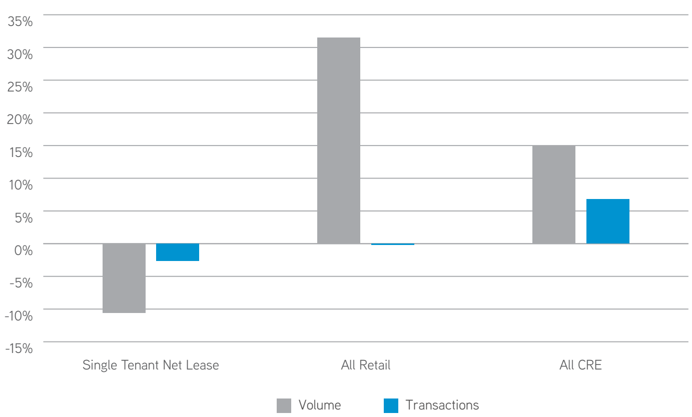
* ASC 842 refers to the Accounting Standards Codification ("ASC") published by the Financial Accounting Standards Board ("FASB") pertaining to the treatment of leases.

Single Tenant Net Lease Sales Volume



Sources: Real Capital Analytics and Colliers International

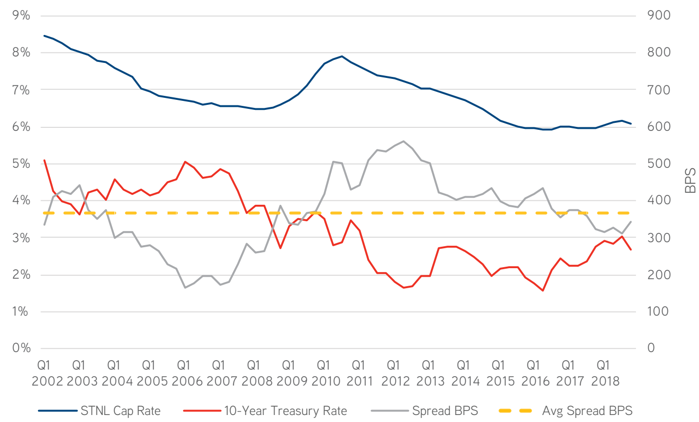
Sector Trend: Year Over Year Change



Sources: Real Capital Analytics and Colliers International

- Cap rates on sales of STNL retail properties ticked up 12 basis points (bps) from 5.98% to 6.10% over the year through Q4 2018, though down slightly from 6.17% in the third quarter. Cap rates for the key chains we track rose 8 bps year over year. Four out of the five sectors we track saw higher cap rates versus Q4 2017.
- With the rise in cap rates, the average sales price of net lease retail declined from $244 per square foot in Q4 2017 to $232 per square foot—a drop of 5.4% year over year based on a trailing 12-month average.
- Spreads to 10-year treasuries narrowed to 312 bps in Q3 2018—its lowest point in a decade—as the 10-year rose past 3%. But the spread expanded back to 341 bps in Q4 2018, its highest point in more than a year, as cap rates compressed slightly but treasuries fell by more. With inflation tame and the Fed signaling its unlikeliness to hike rates again this year, upward pressure on bond rates and on net lease cap rates seems to have eased.
- Consumer sentiment remained strong throughout 2018 by historical standards but has since fallen from their peaks. Year-end 2018 sentiment was up slightly versus December 2017, but both the current conditions and outlook indices, as gauged by the University of Michigan, fell sharply in early 2019 due to the federal government shutdown and then weakening economic conditions.

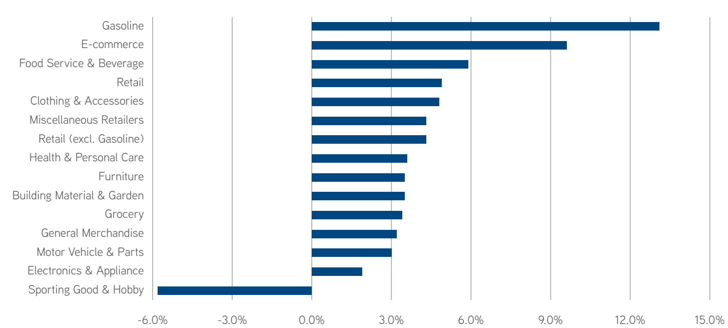
Single Tenant Net Lease Cap Rate vs. U.S. 10-Year Treasury



Sources: Real Capital Analytics, Federal Reserve Bank, and Colliers International

- Nominal retail sales grew 4.9% in 2018, up from 4.7% in 2017, though the growth was front-loaded into the first half of the year (5.1% year-over-year growth versus 4.7%), as sales fell sharply at year-end. Gasoline retailers maintained the top spot with a 13.1% year-over-year increase—unchanged since H1 2018, though gas prices fell at year-end. E-commerce remains firmly entrenched in the second spot with 9.6% 12-month year-over-year growth.
- Among the retail categories gaining strength in 2018, food service & beverage growth increased from 4.6% midyear to 5.9%. On the other hand, sales of sporting goods & hobby goods fell 5.8% in 2018, after being down 2.1% at midyear.

Retail Sales



Sources: U.S. Census Bureau and Colliers International

Auto Parts Stores

Transactions and Volume

- Auto parts transactions in 2018 eclipsed 2017 with 158 versus 142—an increase of 8.5%—but volume in H2 2018 did not keep pace with the first half of the year and sector volume was down 4.5% versus 2017.
- The average sales price per transaction fell an average of 13.8% to $1.73 million last year, with all chains reporting a lower average sales price compared to 2017.
- Sales transactions and volumes rose for both Autozone and O'Reilly last year.
- Overall, H2 2018 sector transactions and volume were down 7% and 22% compared with H2 2017.

Cap Rates

- Auto store cap rates rose 46 bps to 6.5% in Q4 2018 versus a year ago, based on a two-quarter moving average.
- Cap rates on O'Reilly stores dropped 15 bps year over year to 5.8%. Advance Auto and AutoZone cap rates increased to 7.4% (up 105 bps) and 6.3% (up 86 bps), respectively.

Sales Price Per Square Foot

- Sector sales price per square foot dropped 7.9% year over year.
- In Q4-2018, AutoZone and O'Reilly were trading above their long-term fourth quarter sales price per square foot average (AutoZone up 5.6% and O'Reilly up 10.2%) while Advance Auto decreased (down 4.2%).

Outlook

- AutoZone executives see their chain being somewhat inoculated against Amazon, given that the bulk of their business is in selling replacements for failed parts for immediate customer repair and their footprint within close proximity of customers allows for such repairs.
- O'Reilly plans to open 200 to 210 new stores in 2019, according to Creditntell.
- Industry revenue is forecast to increase at an average annual rate of 1.3% through 2023, according to IBISWorld.
- Expect continued consolidation as larger auto parts players strive to maintain profit margin. This should come at the expense of smaller operators with low margins who cannot as easily buy at bulk to reduce costs.
- Declines in consumer confidence play to the industry's benefit as this is often associated with delaying the purchase of new autos which increases the need for repairs on aging vehicles.

Company Overview

TENANT	CREDIT RATING	TOTAL STORES	AVERAGE STORE SALES (PSF)*
Advance Auto Parts	BBB-	5,109	$223
AutoZone	BBB	5,631	$269
O'Reilly Auto Parts	BBB	5,219	$225

Sources: Creditntell, Standard & Poor's and Colliers International
*Sales PSF based off of Creditntell estimates.

Auto Parts Stores Year-Over-Year Cap Rate Change

TENANT	H2 2017	H2 2018	BPS CHANGE
Advance Auto Parts	6.4%	7.4%	105
AutoZone	5.5%	6.3%	86
O'Reilly Auto Parts	5.9%	5.8%	-15
Auto Parts Sector	6.1%	6.5%	46

Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

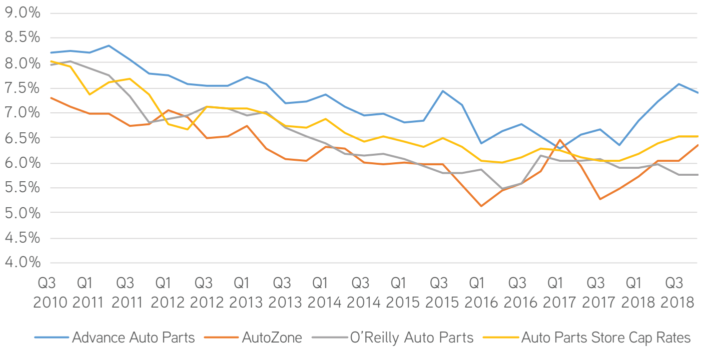
Auto Parts Stores Year-Over-Year $/SF Change

TENANT	H2 2017	H2 2018	% CHANGE
Advance Auto Parts	$253	$230	-9.4%
AutoZone	$330	$257	-22.1%
O'Reilly Auto Parts	$255	$252	-1.0%
Auto Parts Sector	$264	$243	-7.9%

Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Auto Parts Stores (continued)

Cap Rate Trends



Sources: CoStar and Colliers International
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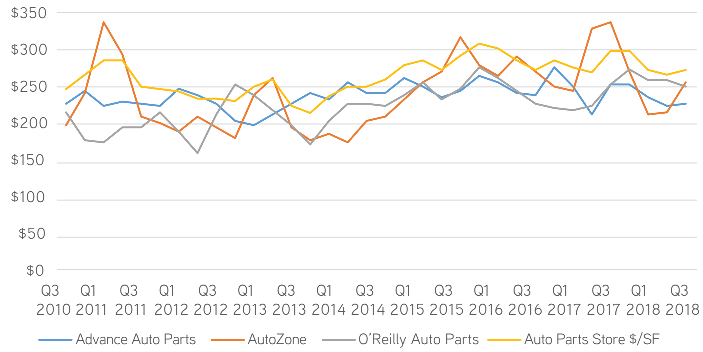
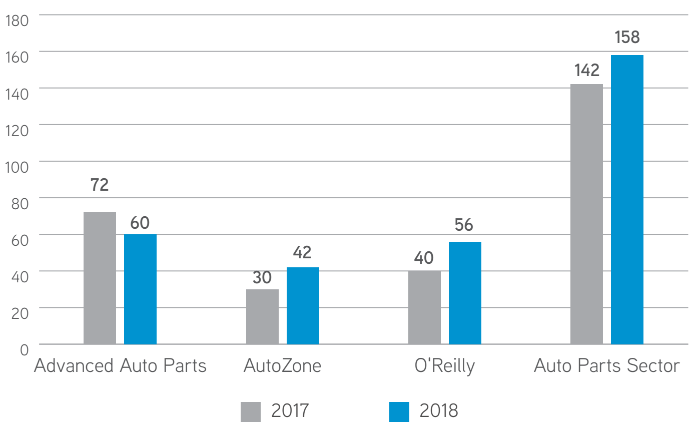
$/SF Trends

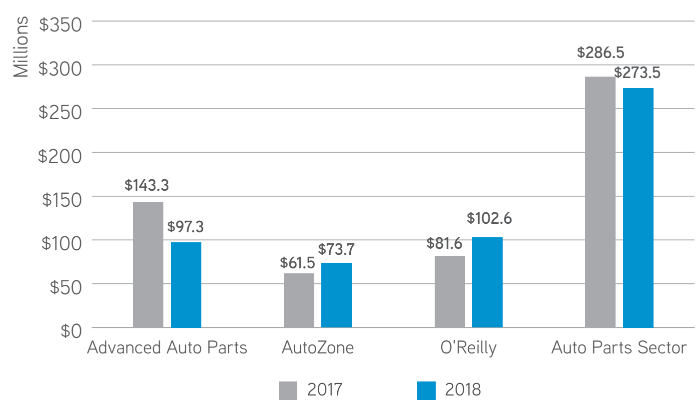


Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Number of Transactions



Transaction Volume



Dollar Stores

Transactions and Volume

- Dollar store sales transactions and volumes both fell roughly 25% versus 2017.
- At midyear, dollar store sales were slightly above their H1 2017 pace (transactions up 5% and volume up 4%). Sales fell sharply in the second half of 2018, however, down 47% versus H2 2017.
- The average sales price per transaction slipped slightly, down just 2.1% to $1.52 million.
- No chain was immune from a decrease in activity in the second half of 2018. H2 2018 transactions were down 46%-59% and volume decreased 46%-56% versus H2 2017.

Cap Rates

- Average cap rates for the dollar sector increased 29 bps to 7% versus a year ago.
- All three chains saw cap rate increases year over year. Dollar General rose 13 bps to 6.8%, Dollar Tree rose 10 bps to 6.8% and Family Dollar increased 93 bps to 7.6%.

Sales Price Per Square Foot

- Despite the rise in cap rates, sales price per square foot for the sector increased 0.2% versus a year ago and remains above the quarterly average going back to 2010.

Outlook

- Dollar Tree recently announced they will close nearly 400 Family Dollar stores and change the name of nearly 200 more.
- Dollar General will be expanding with 975 stores in 2019 but will also be relocating or remodeling an additional 1,100 stores.
- Over the past five years, this sector's 'recession-proof' reputation has slowly drawn more competition from warehouse clubs, supercenters and e-commerce businesses. As a result, expect major players to expand while smaller competitors will find it more difficult to maintain revenue gains.
- Due to increasing external competition, industry revenue is forecasted to slow to an annualized increase of 1.1% into 2024, down from a 2013-2019 average of 3.9%, according to IBISWorld.

Company Overview

TENANT	CREDIT RATING	TOTAL STORES	AVERAGE STORE SALES (PSF)*
Dollar General	BBB	15,227	$220
Dollar Tree/Family Dollar	BBB-	15,187	$194

Sources: Creditntell, Standard & Poor's and Colliers International
*Sales PSF based off of Creditntell estimates.

Dollar Store Year-Over-Year Cap Rate Change

TENANT	H2 2017	H2 2018	BPS CHANGE
Dollar General	6.7%	6.8%	13
Dollar Tree	6.7%	6.8%	10
Family Dollar	6.7%	7.6%	93
Dollar Store Sector	6.7%	7.0%	29

Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

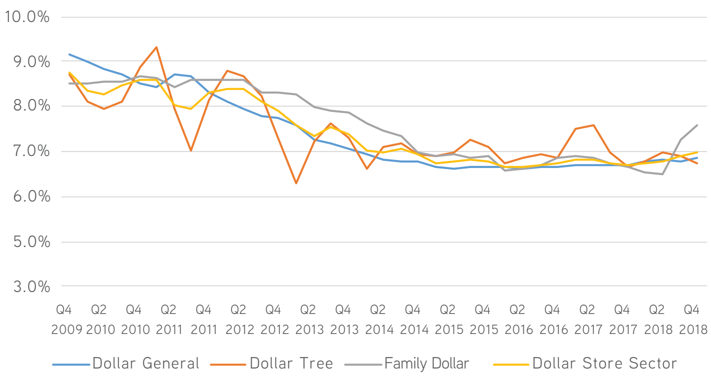
Dollar Store Year-Over-Year $/SF Change

TENANT	H2 2017	H2 2018	% CHANGE
Dollar General	$163	$166	1.7%
Dollar Tree	$155	$167	7.5%
Family Dollar	$195	$177	-9.3%
Dollar Store Sector	$168	$169	0.2%

Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Dollar Stores (continued)

Cap Rate Trends



Sources: CoStar and Colliers International
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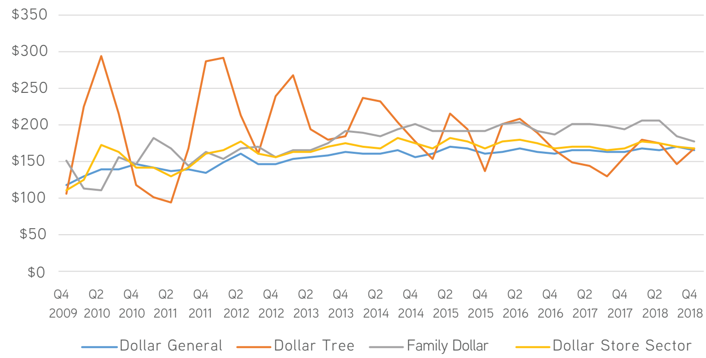
$/SF Trends



Sources: CoStar and Colliers International
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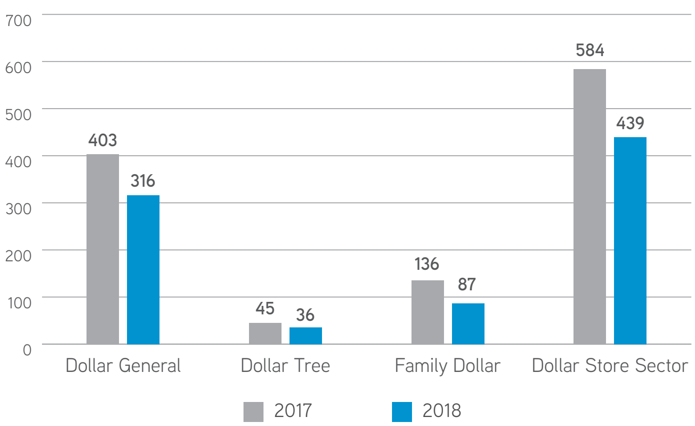
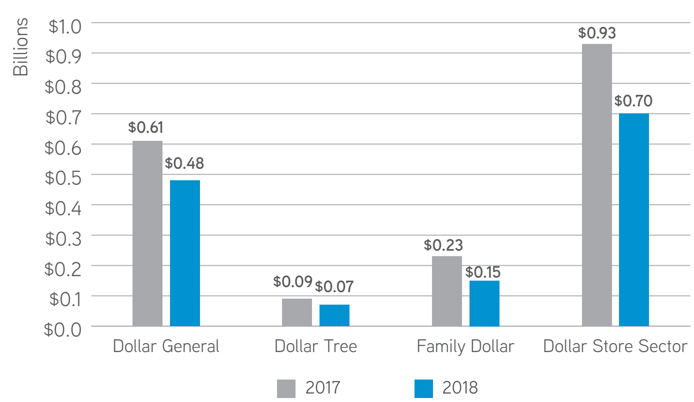
Number of Transactions



Transaction Volume



Drug Stores

Transactions and Volume

- The drug store segment improved in H2 2018 relative to the first six months of 2018 but remained slower than the prior year. Drug store sector sales volume fell 23% and the number of transactions declined 14%.
- Walgreens kept pace with H2 2017 in transactions and volume (up 4% and 2% respectively) but for the year remained down about 16% versus 2017.
- Rite Aid's uncertainty continued to dampen activity in the second half of year. Transactions for 2018 fell 40% and volume dropped 46% year over year.
- The sector's average sales price per transaction in Q4 2018 declined 10.7% year over year to $4.72 million. Walgreens was flat and CVS was down 16%, and Rite-Aid saw a decline of 45% year over year.

Cap Rates

- Average cap rates for the drug store sector remained nearly unchanged, dropping 2 bps to 6.3% versus a year ago.
- Cap rates on CVS stores fell 13 bps to 6% and Rite Aid dropped 89 bps to 7.2%, but Walgreens cap rates rose 14 bps to 6.4%.

Sales Price Per Square Foot

- The sector's average sales price per square foot fell 6.1% year over year measured using a two-quarter average.
- While CVS and Walgreens recorded small year-over-year drops of 5.8% and 2.3%, respectively, Rite Aid's woes continued with average sales price dropping 26.4% versus 2017.
- CVS and Walgreens continue to trade close to their long-term average sales price per square foot, based on a two-quarter average (up 2.2% and 4.0%, respectively).

Outlook

- Industry revenue is forecast to increase at an average annual rate of 2.4% through 2023, according to IBISWorld.
- If the Aetna takeover by CVS is viewed as anti-competitive, it could lead to divestiture of assets.
- CVS' move to a vertically integrated model will require physical changes to their stores.

Company Overview

TENANT	CREDIT RATING	TOTAL STORES	AVERAGE STORE SALES (PSF)*
CVS	BBB	10,171	$1,000
Rite Aid	B	2,525	$585
Walgreens	BBB	9,453	$1,020

Sources: Creditntell, Standard & Poor's and Colliers International
*Sales PSF based off of Creditntell estimates.

Drug Stores Year-Over-Year Cap Rate Change

TENANT	H2 2017	H2 2018	BPS CHANGE
CVS	6.1%	6.0%	-13
Rite Aid	8.1%	7.2%	-89
Walgreens	6.3%	6.4%	14
Drug Store Sector	6.3%	6.3%	-2

Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

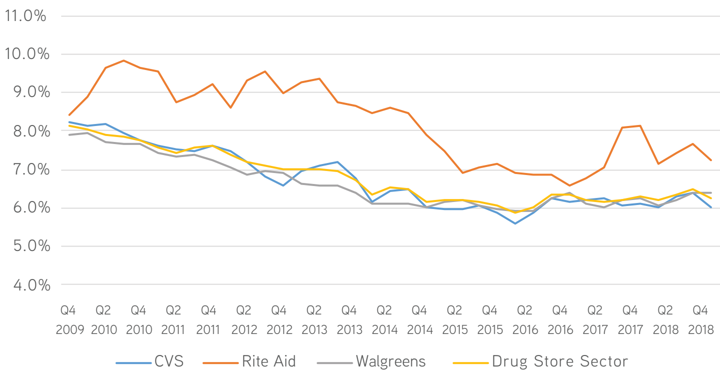
Drug Stores Year-Over-Year $/SF Change

TENANT	H2 2017	H2 2018	% CHANGE
CVS	$367	$346	-5.8%
Rite Aid	$286	$210	-26.4%
Walgreens	$381	$373	-2.3%
Drug Store Sector	$371	$349	-6.1%

Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Drug Stores (continued)

Cap Rate Trends



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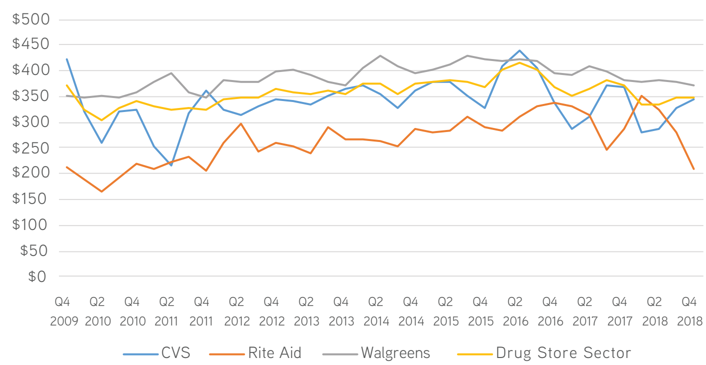
$/SF Trends



Sources: CoStar and Colliers International
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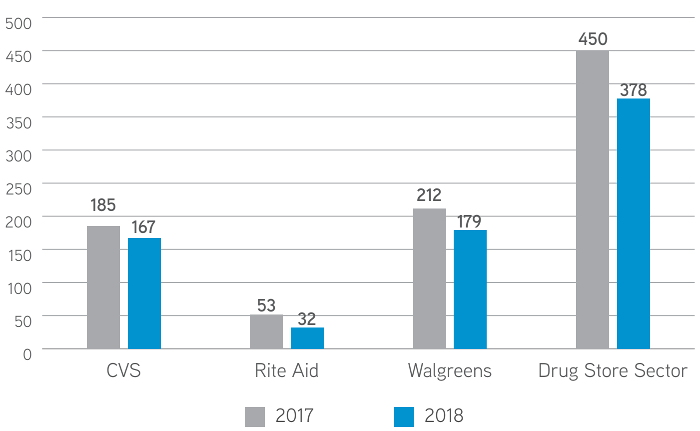
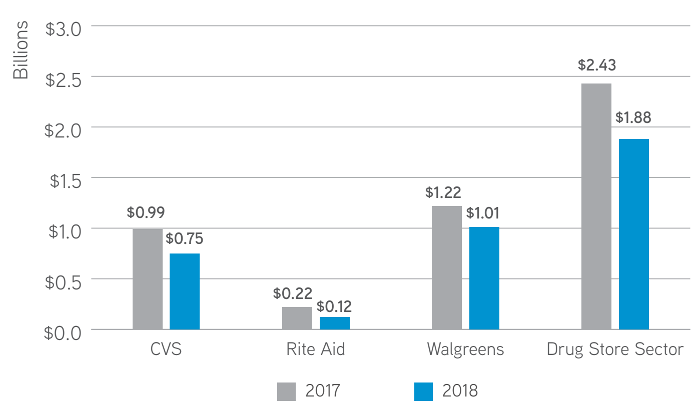
Number of Transactions



Transaction Volume



Fast Casual Restaurants

Transactions and Volume

- More than half of 2018 fast casual transactions were part of a portfolio sale, up from just 27% in 2017. Of the major sectors we cover, fast casual had the highest share of portfolio sales, with QSR a distant second with just 18.2% of transactions being part of a portfolio.
- With the help of three sizeable Chili's portfolio sales in Q3 2018 (Realty Income, Four Corners Property Trust and SunTrust Robinson Humphrey), sector transactions and volume more than doubled versus 2017 (transactions up 118%, volume up 108%). Even when the effect of the portfolios is removed, 2018 fast casual transactions and volume were up 25% and 13% respectively year over year, driven by Chili's and Applebee's.
- The sector's average sales price per transaction in Q4 2018 was up 1.2% year over year to $2.7 million. All chains except Chili's gained versus Q4 2017 (Applebee's +7.4%, Olive Garden +8.7%, Outback Steakhouse +32.4%)

Cap Rates

- Average cap rates for the fast casual sector increased 7 bps to 6.3% versus a year ago.
- The more active chains (Applebee's and Chili's) reported a decrease in cap rates (Applebee's down 9 bps, Chili's down 50 bps). The less active chains (Olive Garden and Outback Steakhouse) reported higher cap rates year over year (Olive Garden up 53 bps, Outback Steakhouse up 16 bps).

Sales Price Per Square Foot

- The sector's average sales price per square foot rose 5.1% year over year.
- The more active chains tended to report a lower year-over-year sales price per square foot. Applebee's and Chili's recorded 10.7% and 7.2% declines, respectively.

Outlook

- From 2019 to 2023, chain restaurant industry revenue is expected to grow annually at a rate of 1.6%, according to IBISWorld.
- Casual dining will continue to face challenges from fast casual. Casual dining chains that can provide healthy and innovative menu offerings will be better positioned to boost margins.

Company Overview

TENANT	CREDIT RATING	TOTAL STORES	AVERAGE STORE SALES (PSF)*
Applebee's	N/A	1,975	N/A
Chili's	BB+	1,634	$533
Olive Garden	BBB	856	$623
Outback Steakhouse	BB	740	$571

Sources: Creditntell, Standard & Poor's and Colliers International
*Sales PSF based off of Creditntell estimates. ^Bloomin Brands.

Fast Casual Restaurants Year-Over-Year Cap Rate Change

TENANT	H2 2017	H2 2018	BPS CHANGE
Applebee's	6.8%	6.7%	-9
Chili's	6.8%	6.3%	-49
Olive Garden	5.0%	5.5%	53
Outback Steakhouse	5.5%	5.7%	15
Fast Casual Sector	6.3%	6.3%	7

Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

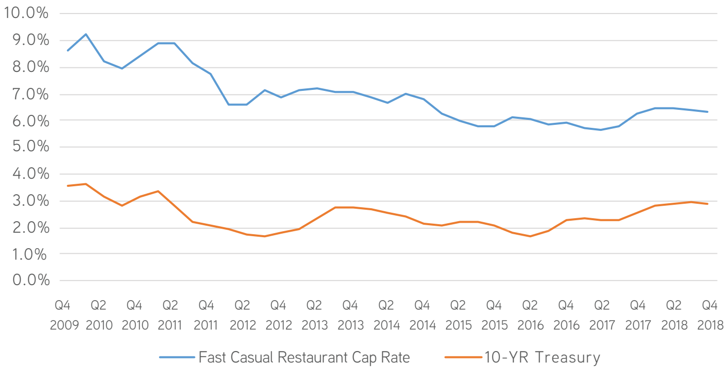
Fast Casual Restaurants Year-Over-Year $/SF Change

TENANT	H2 2017	H2 2018	% CHANGE
Applebee's	$554	$495	-10.7%
Chili's	$491	$455	-7.2%
Olive Garden	$382	$387	1.4%
Outback Steakhouse	$280	$571	104.0%
Fast Casual Restaurant Sector	$473	$498	5.1%

Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Fast Casual Restaurants (continued)

Cap Rate Trends



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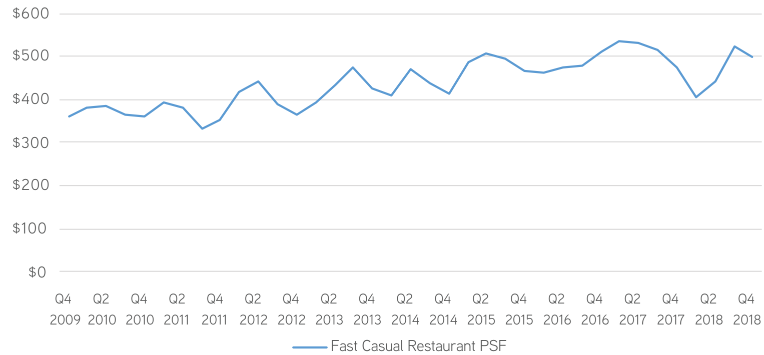
$/SF Trends



Sources: CoStar and Colliers International
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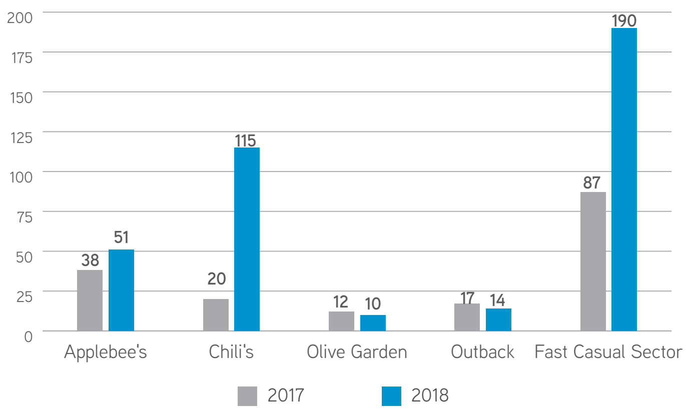
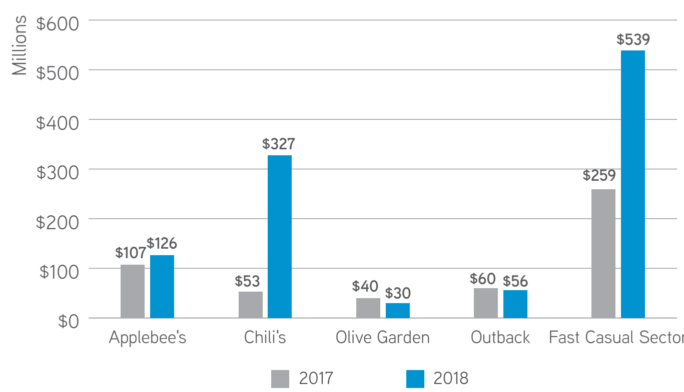
Number of Transactions



Transaction Volume



Quick-Service Restaurants

Transactions and Volume

- Despite a slowdown in the last half of 2018, QSR transactions and volume last year nearly matched 2017 levels, down just 1.4% and 0.1%, respectively.
- The top four chains in terms of year-over-year change in volume were: KFC (+75%), Popeye's (+60%), Arby's (+58%) and Pizza Hut (+35%).
- The four chains with the least increase in volume: Taco Bell (-38%), Wendy's (-24%), Burger King (-23%) and Carl's Jr/Hardee's (-15%). QSR transactions were down 12% in H2 2018 vs. H2 2017 while volume fell 9%.
- The top four chains in terms of year over year change in H2 2018 volume: Chipotle (+213%), Arby's (+77%), Pizza Hut (+64%) and McDonald's (+39%).
- The four chains with the least increase in in H2 2018 volume vs 2017: Wendy's (-44%), Taco Bell (-42%), Burger King (-34%) and Carl's Jr/Hardee's (-22%).
- The sector's average sales price per transaction in Q4 2018 was down 9.5% year over year to $1.78 million. Just four of the 12 chains we track reported higher year-over-year average sales price vs. 2017 (Chipotle, Pizza Hut, Burger King and KFC).
- 18% of 2018 QSR transactions were portfolio, up from 16% in 2017. 39% of Arby's 2018 transactions were part of a portfolio—highest of the QSR peers and more than double 2017.

Cap Rates

- Sector average cap rates remained nearly unchanged, increasing just 4 bps year over year to 5.6%.
- Generally, the chains with more 2018 transactions experienced cap rate declines.
- With active sales activity, KFC, Wendy's, Arby's and Burger King saw drops in cap rates ranging from -16 bps (Burger King) to -55 bps (KFC).
- However, Chipotle, Jack in the Box and Carl's Jr/Hardee's—which are more thinly traded—saw cap rate increases ranging from +39 bps (Carl's Jr/Hardee's) to +177 bps (Chipotle).

Sales Price Per Square Foot

- The sector's average sales price per square foot rose 2.7% year over year.
- Again, the more active chains (those with 78+ transactions in 2018) tended to report smaller variances in sales price per square foot year over year than those with 40 or less.
- As of Q4 2018, only two chains (Pizza Hut and Chipotle) were trading below their sales price per square foot long-term average (going back to 2010).

Outlook

- Through 2023, fast food industry revenue is forecast to annually increase an average of 1.2%, according to IBISWorld.
- For industry chains reporting stagnant U.S. profit, expect companies to shift their focus to international expansion to offset diminished margins in the highly competitive domestic market.
- Similar to Casual Dining, QSRs that are successful will drive profit through healthy and interesting menu options.

Company Overview

TENANT	CREDIT RATING	TOTAL STORES**	AVERAGE STORE SALES (PSF)*
Arby's	N/A	3,283	$378
Burger King	B+	7,234	$412
Carl's Jr./Hardee's	N/A	3,031	$416
Chipotle	N/A	2,392	$834
Jack in the Box	N/A	2,237	$597
KFC	BB	4,083	$523
McDonald's	BBB+	14,036	$593
Pizza Hut	BB	6,027	$397
Popeye's	B+	2,212	$393
Starbucks	BBB+	14,707	$907
Taco Bell	BB	7,217	$682
Wendy's	B	6,209	$489

Sources: Creditntell, Standard & Poor's, company websites, www.restaurantbusinessonline.com, and Colliers International.
*Sales PSF based off of Creditntell estimates. ** US Stores displayed and estimated using company websites, Creditntell, and www.restaurantbusinessonline.com.

Fast Food/QSR (continued)

Fast Food/QSR Year-Over-Year Cap Rate Change			
TENANT	H2 2017	H2 2018	BPS CHANGE
Arby's	6.3%	6.1%	-17
Burger King	6.1%	6.0%	-16
Carl's Jr./Hardee's	5.7%	6.0%	25
Chipotle	4.2%	6.0%	177
Jack in the Box	5.0%	5.7%	68
KFC	6.1%	5.6%	-55
McDonald's	4.3%	4.4%	5
Pizza Hut	6.3%	6.3%	-9
Popeye's	5.6%	5.8%	16
Starbucks	5.1%	5.2%	6
Taco Bell	5.5%	5.6%	15
Wendy's	5.7%	5.5%	-25
Fast Food/QSR Sector	5.6%	5.6%	4

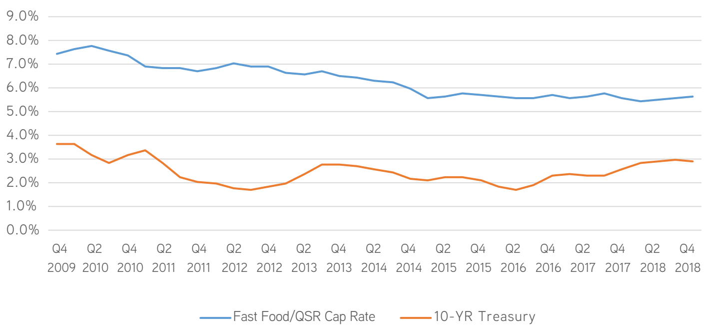
Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Fast Food/QSR Year-Over-Year $/SF Change			
TENANT	H2 2017	H2 2018	% CHANGE
Arby's	$578	$535	-7.4%
Burger King	$575	$592	2.9%
Carl's Jr./Hardee's	$604	$643	6.4%
Chipotle	$665	$592	-11.0%
Jack in the Box	$934	$764	-18.2%
KFC	$570	$571	0.2%
McDonald's	$544	$599	10.0%
Pizza Hut	$271	$397	46.8%
Popeye's	$780	$676	-13.3%
Starbucks	$1,071	$1,075	0.4%
Taco Bell	$749	$755	0.8%
Wendy's	$713	$674	-5.5%
Fast Food/QSR Sector	$640	$657	2.7%

Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

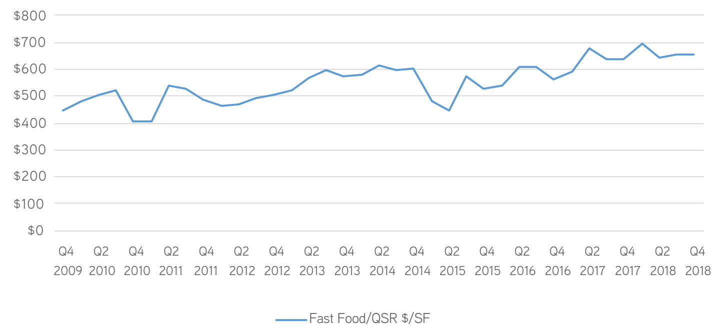
Fast Food/QSR (continued)

Cap Rate Trends



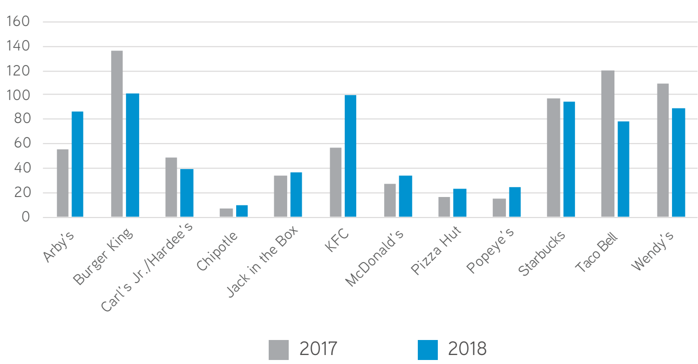
Sources: CoStar and Colliers International
Note: Cap rate trends calculated using a two-quarter moving average based on property transactions $1M and greater.

$/SF Trends

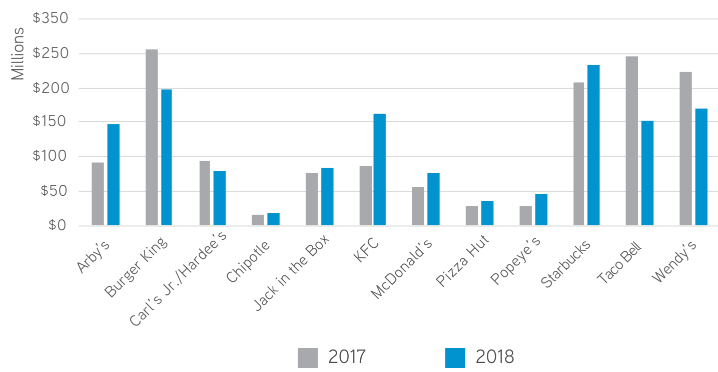


Sources: CoStar and Colliers International
Note: $/SF trends calculated using a two-quarter moving average based on property transactions $1M and greater.

Number of Transactions



Transaction Volume



Sources: CoStar and Colliers International

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