



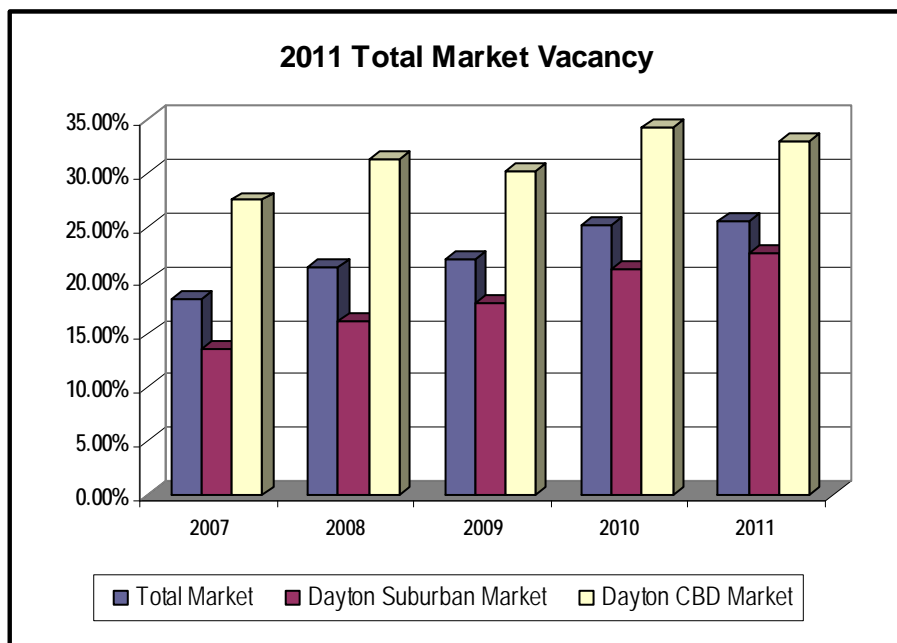
## DAYTON REGIONAL 2011 OFFICE MARKET STUDY

Gem Real Estate Group's 2011 Office Market Study is a comprehensive survey intended to capture the current conditions and developing trends regarding Office space within the greater Dayton area. The facilities included in this study represent those, which are most reflective of the area's Office market.

In this survey, we have sampled (344) Office Buildings which have been segmented into four (4) distinct markets identified as Dayton: East, Dayton: North/West, Dayton: South, and Dayton: Central Business District (CBD). A total of 15,374,741 square feet of office space was surveyed within these four (4) markets, of which 3,929,839 square feet, or 25.56%, was reported to be vacant. A summary of the 2011 figures is illustrated below.

	#	2011 GFA	2011 Vac. s.f.	2011 Vac. %	2010-2011 Absorb.	Gross Rental Rate Range
Dayton East Market	76	3,709,819	746,537	20.12%	(86,267)	\$7.00 - \$23.50
Dayton North/West Market	68	1,491,627	411,428	27.58%	35,469	\$5.00 - \$20.00
Dayton South Market	159	5,682,173	1,283,078	22.58%	(30,662)	\$4.50 - \$24.00
Dayton CBD Market	41	4,491,122	1,488,796	33.15%	(62,990)	\$4.00 - \$21.95
Total Market	344	15,374,741	3,929,839	25.56%	(144,450)	\$4.00 - \$24.00
Dayton Suburban Market	303	10,883,619	2,441,043	22.43%	(81,460)	\$4.50 - \$24.00
Dayton CBD Market	41	4,491,122	1,488,796	33.15%	(62,990)	\$4.00 - \$21.95
Class A CBD Market	10	2,490,457	861,411	34.59%	(20,978)	\$4.00 - \$21.95
Class B/C CBD Market	31	2,000,665	627,385	31.36%	(42,012)	\$5.33 - \$16.00

The 2011 overall market vacancy rate of 25.56% is up from the 2010-reported figure of 25.11%. This increase in vacancy results in a negative absorption in space for 2011. Illustrated on the graph below are the 2007-2011 vacancy levels (square feet) for the overall market, as well as the Central Business District (CBD) and suburban markets.

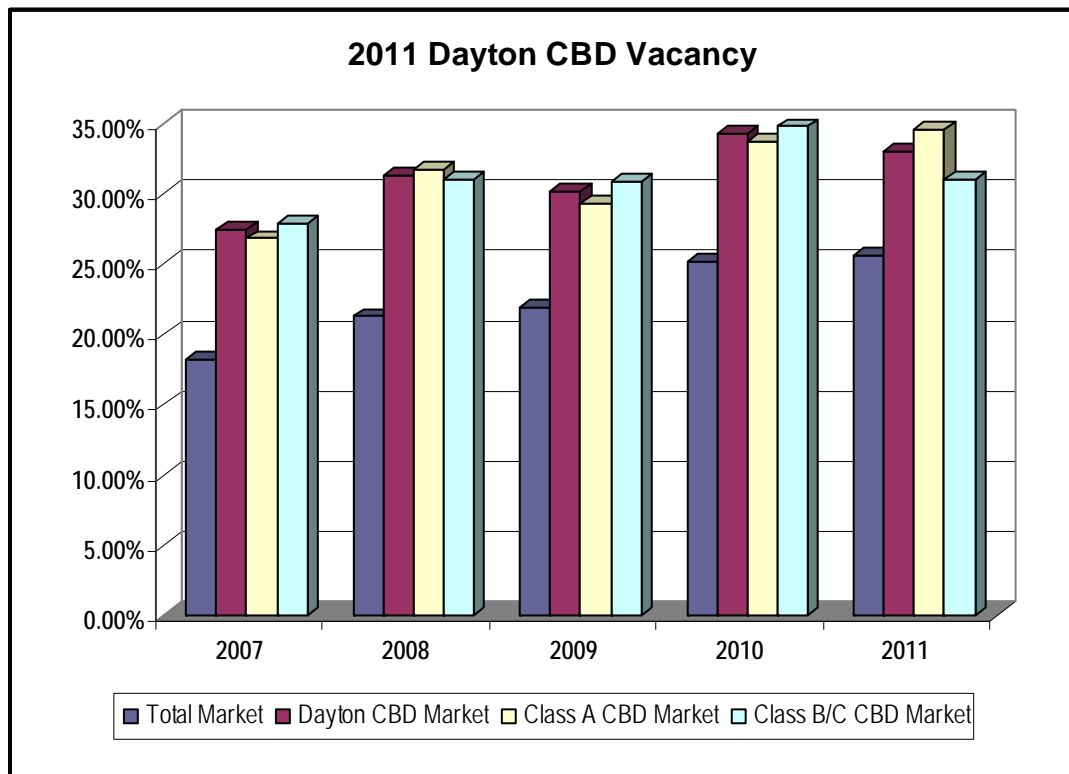


The table below illustrates the annual vacancy rates and absorption figures from 2007 to 2011.

	2011	2010-11	2010	2009-10	2009	2008-09	2008	2007-08	2007	2006-07
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
Dayton CBD Market	33.15%	(62,990)	34.24%	(194,230)	29.87%	(39,189)	31.34%	(185,340)	27.45%	(462,623)
Total Market	25.56%	(144,450)	25.11%	(216,529)	21.76%	(201,314)	21.27%	(463,257)	18.20%	(344,721)
Dayton Suburban Market	22.43%	(81,460)	21.05%	(22,299)	17.83%	(162,125)	16.27%	(277,917)	13.62%	117,902

### Dayton CBD

Specifically, in the Dayton CBD Market, we have surveyed (41) Office Buildings, which have been segmented into Class A and Class B/C. Contained in this market sample is a grand total of 4,491,122 square feet of Office space, of which 1,488,796 square feet, or 33.15%, was reported to be vacant. The 2011 vacancy rate is down from 34.24% reported in 2010. This indicates a net negative absorption of (62,990) square feet in 2011 for the CBD. Illustrated on the graph below are the 2007-2011 vacancy levels (% vacant) for the overall market, total Central Business Districts (CBD) and the CBD's Class A and Class B/C submarkets.



The following table illustrates the annual vacancy rates and absorption figures from 2007 to 2011 for the CBD market.

	2011	2010-11	2010	2009-10	2009	2008-09	2008	2007-08	2007	2006-07
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
Total Market	25.56%	(144,450)	25.11%	(216,529)	21.76%	(201,314)	21.27%	(463,257)	18.20%	(344,721)
Dayton CBD Market	33.15%	(62,990)	34.24%	(194,230)	29.87%	(39,189)	31.34%	(185,340)	27.45%	(462,623)
Class A CBD Market	34.59%	(20,978)	33.75%	(109,975)	29.33%	(29,134)	31.72%	(90,504)	26.81%	(222,797)
Class B/C CBD Market	31.36%	(42,012)	34.78%	(84,255)	30.43%	(10,055)	31.06%	(94,836)	27.94%	(239,826)

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## Dayton CBD Class A

The CBD Class A Office Market is comprised of (10) office buildings totaling 2,490,457 square feet of space, of which 861,411 square feet, or 34.59%, was reported vacant. The Class A indicates a net negative absorption of (20,978) square feet in 2011.

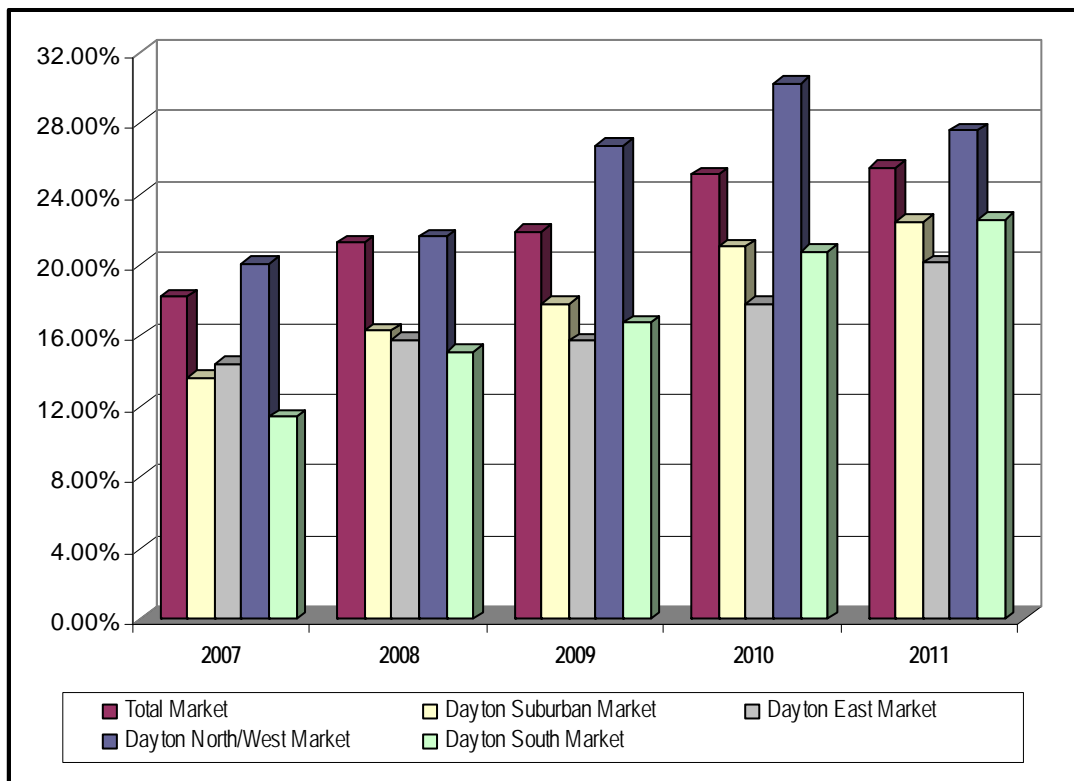
## Dayton CBD Class B/C

The CBD Class B/C Office Market is comprised of (31) office buildings totaling 2,000,665 square feet of space, of which 627,385 square feet, or 31.36%, was reported vacant. The Class B/C indicates a total net negative absorption of (42,012) square feet in 2011.

For the CBD market, quoted annual lease rates range from \$4.00/square foot to \$21.95/square foot on a "Gross/Full Service" basis.

## Dayton Suburban

Specifically, in the Dayton Suburban Market, we have surveyed (303) Office Buildings, which included the submarkets of East, North/West and South. Within these sampled markets, a grand total of 10,883,619 square feet of Office space was surveyed, of which 2,441,043 square feet, or 22.43%, was reported to be vacant. The 2011 vacancy rate of 22.43% is up from 21.05% reported in 2010. The following graph illustrates the 2007-2011 vacancy levels (% vacant) for the overall market, total Suburban market and the Suburban's East, North/West and South submarkets.



The table below illustrates the annual vacancy rates and absorption figures from 2007 to 2011 for the Suburban market.

	2011 Vac. %	2010-11 Absorb.	2010 Vac. %	2009-10 Absorb.	2009 Vac. %	2008-09 Absorb.	2008 Vac. %	2007-08 Absorb.	2007 Vac. %	2006-07 Absorb.
Dayton East Market	20.12%	(86,267)	17.80%	54,322	15.70%	(5,496)	15.78%	(47,373)	14.33%	103,465
Dayton North/West Market	27.58%	35,469	30.27%	(57,402)	26.71%	(74,280)	21.61%	(25,803)	20.05%	(22,050)
Dayton South Market	22.58%	(30,662)	20.75%	(19,219)	16.72%	(82,349)	15.10%	(204,741)	11.42%	36,487
Dayton CBD Market	33.15%	(62,990)	34.24%	(194,230)	29.87%	(39,189)	31.34%	(185,340)	27.45%	(462,623)
Total Market	25.56%	(144,450)	25.11%	(216,529)	21.76%	(201,314)	21.27%	(463,257)	18.20%	(344,721)
Dayton Suburban Market	22.43%	(81,460)	21.05%	(22,299)	17.83%	(162,125)	16.27%	(277,917)	13.60%	117,902

### Dayton East

In the *East Office* market, a total of (76) facilities were surveyed. This market accounts for a total of 3,709,819 square feet of space, of which 746,537 square feet, or 20.12%, was reported to be vacant. This indicates a net negative absorption for the *East* market of (86,267) square feet. For the *East* market, quoted annual lease rates range from \$7.00/square foot to \$23.50/square foot on a "Gross/Full Service" basis.

### Dayton North/West

In the *North and West Office* market, a total of (68) facilities were surveyed. This market accounts for a total of 1,491,627 square feet of space, of which 411,428 square feet, or 27.58%, was reported to be vacant. This indicates a net positive absorption for the *North and West* market of 35,469 square feet. For the *North and West* market, quoted annual lease rates range from \$5.00/square foot to \$19.00/square foot on a "Gross/Full Service" basis.

### Dayton South

In the *South Office* market, a total of (159) facilities were surveyed. This market accounts for a total of 5,682,173 square feet of space, of which 1,283,078 square feet, or 22.58%, was reported to be vacant. This indicates a net negative absorption for the *South* market of (30,662) square feet. For the *South* market, quoted annual lease rates range from \$4.50/square foot to \$24.00/square foot on a "Gross/Full Service" basis.

The information published in *Gem Real Estate Group's 2011 Office Market Study* reflects market conditions during the fourth quarter of 2010. All data contained herein are believed to be accurate and have been compiled from one or more of the following sources: property owners, property managers, leasing agents, and/or public records. All information furnished by others is believed to be reliable. *Gem Real Estate Group* makes no warranties regarding the accuracy of this information, which is subject to change without notice.

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