

DES MOINES METRO REAL ESTATE MARKET SURVEY 2014

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Commercial
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Introduction

This market survey includes office, flex, industrial, and retail space analysis. The office market analysis consists of the entire market and a competitive subset in Classes A, B, and C. Following the office analysis is the flex market review. Industrial space consists of warehouse and manufacturing categories separated by age groups. Retail space consists of regional malls, neighborhood and community centers, and big box retail. Property type analysis is separated by geographic market area within the Greater Des Moines metropolitan area.

CBRE|Hubbell Commercial and Frandson & Associates have been conducting this survey since 1997. The 2014 Market Survey contains information collected during the first quarters of 2012, 2013, and 2014.

We thank the owners, managers, and brokers throughout the Greater Des Moines area for the cooperation we received in compiling this survey. For additional information about this survey and about the Greater Des Moines metropolitan market, please contact CBRE|Hubbell Commercial at (515) 224-4900.

SUBMARKET BOUNDARIES

Central Business District (CBD) - Includes the Western CBD and the East Village, extending west to Martin Luther King Jr. Parkway and east to East 14th Street.

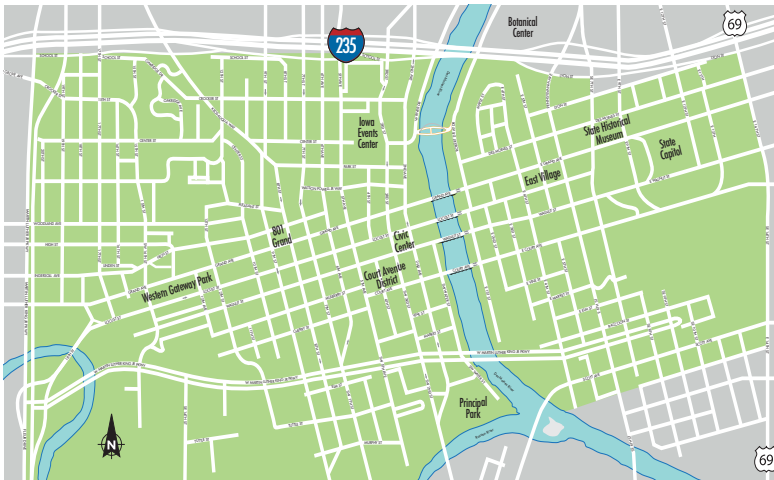
Western Suburbs - Encompasses West Des Moines, Clive, Urbandale, Windsor Heights, Johnston, Grimes, Waukee, and some unincorporated areas of Polk, Dallas, and Warren counties.

Northwest - Includes Northwest Des Moines and Western Saylor Township.

Northeast - Consists of Northeast Des Moines (extended south to the Des Moines River), Pleasant Hill, Altoona, Eastern Saylor Township, and Delaware Township.

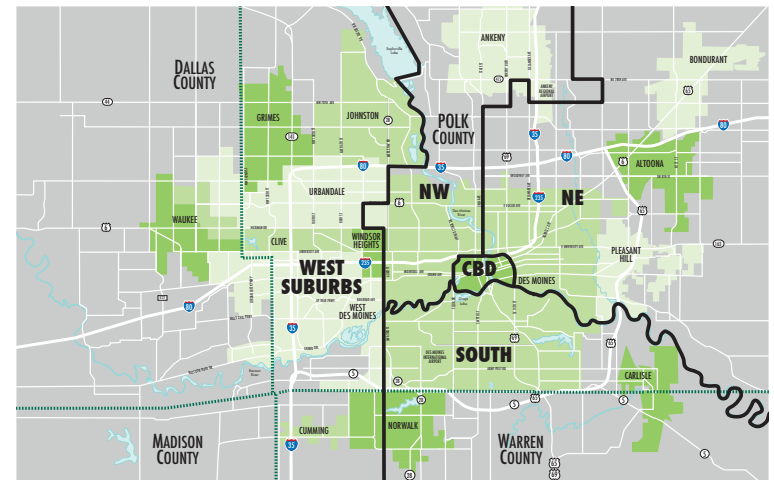
South - Comprises Southwest Des Moines, Southeast Des Moines (south of Des Moines River), and some unincorporated areas of Polk and Warren counties.

Ankeny - Evaluated separately.



**DES MOINES
CENTRAL BUSINESS
DISTRICT (CBD)**

**DES MOINES
METROPOLITAN AREA**



Office - Entire Market

Introduction

The entire market segment includes competitive and non-competitive office space in Classes A, B, and C. Total office inventory has increased from the previous year, which experienced the first decline in total inventory since the onset of the survey. Inventory increased in both Class A and B, but a small decline in Class C occurred in the South submarket.

Inventory

The high concentration of large occupiers provides stability to the office market, but there is potential for greater changes in vacancy.

Following a year which witnessed the removal of over 500,000 SF of office space, reflected in the 2013 survey, total inventory decreased by over 180,000 SF from the previous year as more functionally obsolete Class C office buildings continue to be removed or repurposed. Most submarkets were relatively stable in all three classes. Increases occurred in Class A space in the Western Suburbs and Class B space in Ankeny. The addition of Class A space in the Western Suburbs submarket stems from the conversion of an industrial building at the corner of Westown Parkway and 42nd Street in West Des Moines.

CENTRAL BUSINESS DISTRICT			WESTERN SUBURBS			FIG. 1
Class	Full Service Rate/SF		Class	Full Service Rate/SF		
A	\$16.50 to \$23.00		A	\$16.50 to \$23.50		
B	\$13.00 to \$16.49		B	\$13.50 to \$16.49		
C	Less than \$13.00		C	Less than \$13.50		

New office construction has slowed substantially in the last two years. Conversions to residential use continue in the CBD. Conversion to residential use from some pre-1970 warehouses is also occurring in the CBD.

Fig. 2 demonstrates aggregate office inventory in the entire market segregated by class and by submarket.

OFFICE INVENTORY - ENTIRE MARKET

FIG. 2

Submarket	CLASS A			CLASS B			CLASS C			TOTAL (SF)			TOTAL BUILDINGS		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	8,691,994	8,691,994	8,744,170	2,523,982	2,523,982	2,523,982	2,229,430	2,229,430	2,229,430	13,445,406	13,445,406	13,497,582	341	341	342
CBD	6,484,724	6,484,724	6,484,724	3,119,784	2,707,973	2,707,973	3,187,983	3,038,669	2,791,553	12,792,491	12,231,366	11,984,250	121	117	116
Northwest Des Moines	79,296	79,296	79,296	84,199	84,199	84,199	744,934	744,934	744,934	908,429	908,429	908,429	60	60	60
Northeast Des Moines	0	0	0	128,147	128,147	128,147	274,015	274,015	274,015	402,162	402,162	402,162	25	25	25
South Des Moines	0	0	0	216,773	216,773	216,773	235,360	235,360	228,208	452,133	452,133	444,981	23	23	22
Ankeny	16,732	16,732	16,732	294,386	326,894	347,816	144,201	133,641	133,641	455,319	477,267	498,189	34	35	36
Greater Des Moines Total	15,272,746	15,272,746	15,324,922	6,367,271	5,987,968	6,008,890	6,815,923	6,656,049	6,401,781	28,455,940	27,916,763	27,735,593	604	601	601

Office - Entire Market

Occupancy and Events

The percentage of occupied office space remained relatively consistent overall since the last survey, with slight increases across all three classes. The small increase in office occupancy may be an indicator that the office market continues its transition towards a growth cycle. The most dramatic increase occurred in the Northwest submarket Class B space, which experienced an increase in occupancy of 9%. This large increase is due to the fact that this submarket has few buildings and small changes can have a significant impact on the total.

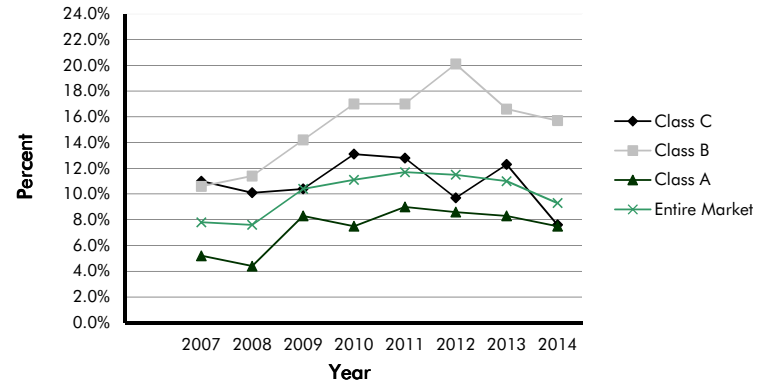
The office market has remained relatively stable since the previous survey, with little new construction. The following summarizes office construction in the Greater Des Moines metropolitan market:

- A new Class A office building is being constructed/renovated in West Des Moines, located at the northeast corner of Westown Parkway and 42nd Street. This building will be primarily occupied by Shive-Hattery and adds 52,176 SF to Class A inventory in the Western Suburbs submarket.

- Wells Fargo has begun construction on a 240,000 SF office building on their West Des Moines Campus, located at the southeast corner of Jordan Creek Parkway and Mills Civic Parkway. The delivery of this office building is late 2014.
- In Johnston, DuPont Pioneer is adding to their corporate office located at 8305 NW 62nd Avenue. Construction has begun on an additional 35,000 SF of office space.

- The Lauridsen Group, located at 2425 Oak Tree Court in Ankeny, is constructing an office addition to their current facility, which will be delivered in late 2014. The new addition is to contain more than 20,000 SF.

GREATER DES MOINES OFFICE VACANCY FIG. 3



OFFICE OCCUPANCY - ENTIRE MARKET FIG. 4

Submarket	CLASS A			CLASS B			CLASS C			TOTAL (SF)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	93.0%	93.0%	93.9%	80.4%	82.8%	84.0%	87.7%	87.9%	89.8%	89.8%	90.3%	91.4%
CBD	89.2%	90.0%	90.5%	76.6%	81.3%	81.8%	92.0%	88.0%	96.1%	86.8%	87.6%	89.9%
Northwest Des Moines	90.2%	90.2%	91.2%	91.0%	91.0%	100.0%	88.6%	83.9%	85.8%	89.0%	85.1%	87.6%
Northeast Des Moines	N/A	N/A	N/A	96.3%	95.5%	93.9%	97.1%	91.4%	89.2%	96.8%	92.7%	90.7%
South Des Moines	N/A	N/A	N/A	93.2%	90.8%	93.6%	91.0%	87.9%	96.2%	92.0%	89.3%	95.0%
Ankeny	100.0%	100.0%	100.0%	90.4%	93.5%	92.3%	85.8%	91.8%	94.0%	89.3%	93.3%	93.0%
Greater Des Moines Total	91.4%	91.7%	92.5%	79.9%	83.4%	84.3%	90.3%	87.7%	92.4%	88.5%	89.0%	90.7%

Office - Entire Market

Absorption

Absorption is the net increase or decrease in actual area occupied between survey periods.

Aggregate absorption within the Greater Des Moines area was positive since the last survey with 305,986 SF of net positive absorption. Overall, positive absorption was witnessed in all three Classes and all submarkets, with the exception of the Northeast submarket, which experienced negative absorption in both Class B and C office segments.

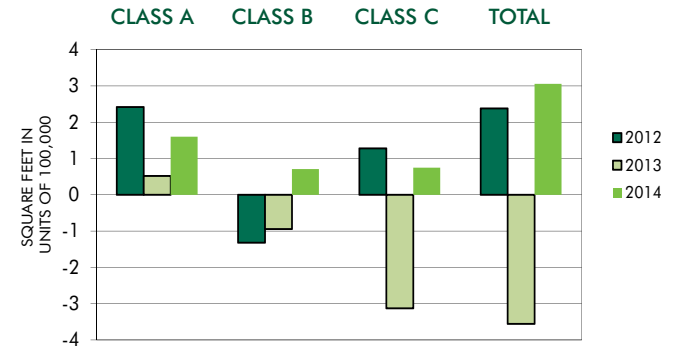
Positive Class A, B, and C office absorption in the CBD submarket was due to increased occupancy in several buildings rather than a single significant event. There was increased occupancy in the Hub Tower, Ruan Building, and Capital Square as the Des Moines Register expanded into additional space.

Positive Class A office absorption occurred in the Western Suburbs, with 127,221 SF absorbed since the previous survey. This is driven in part by the purchase of a Class A office building at 1275 128th Street in Clive. This is a 61,180 SF building which is now fully occupied with William Penn and Jacobson Companies. This building had been vacant for the past few years.

The positive net absorption for total office space since the last survey is an indication that the office market may be growing again. However, it is likely that concessions of some form continue to be a driver of occupancy. Shadow space (empty desks) within large institutional and small office occupiers alike is being absorbed. Shadow space has delayed the office market recovery but its impact will diminish in 2014.

GREATER DES MOINES OFFICE ABSORPTION

FIG. 5



OFFICE ABSORPTION - ENTIRE MARKET

FIG. 6

Submarket	Class A			Class B			Class C			Total (SF)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	236,926	0	127,221	(81,626)	60,576	30,288	77,727	4,459	42,359	233,027	65,035	199,868
CBD	0	51,878	32,424	(81,114)	(188,172)	13,540	38,914	(258,916)	8,654	(42,200)	(395,210)	54,618
Northwest Des Moines	4,916	0	793	0	0	7,578	13,409	(35,012)	14,154	18,325	(35,012)	22,525
Northeast Des Moines	N/A	N/A	N/A	5,762	(1,025)	(2,050)	0	(15,619)	(6,028)	5,762	(16,644)	(8,078)
South Des Moines	N/A	N/A	N/A	(3,035)	(5,203)	6,070	6,355	(7,296)	12,655	3,320	(12,499)	18,725
Ankeny	0	0	0	27,969	39,521	15,388	(8,508)	(1,042)	2,940	19,461	38,479	18,328
Greater Des Moines Total	241,842	51,878	160,438	(132,044)	(94,303)	70,814	127,897	(313,426)	74,734	237,695	(355,851)	305,986

Office - Competitive Market

Inventory

Competitive office is a segment of the entire market. It consists of buildings considered by the market to be competing for tenants. The competitive inventory can vary from year to year, without any new construction

or demolition, as buildings may be reclassified from non-competitive. The current competitive inventory is 49.7% of the entire office market. The percentage of competitive inventory relative to the entire market for

Classes A, B, and C is 43.8%, 59.6%, and 54.4%, respectively.

OFFICE INVENTORY - COMPETITIVE MARKET

FIG. 7

Submarket	Class A			Class B			Class C			Total (SF)			Total Buildings		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	3,913,058	3,913,058	3,949,490	1,913,303	1,913,303	1,913,303	1,738,593	1,738,593	1,738,593	7,564,954	7,564,954	7,601,386	251	251	252
CBD	2,680,231	2,680,231	2,680,231	1,586,913	1,302,405	1,302,405	1,131,638	982,324	982,324	5,398,782	4,964,960	4,964,960	66	63	63
Northwest Des Moines	79,296	79,296	79,296	23,150	23,150	23,150	490,302	490,302	490,302	592,748	592,748	592,748	38	38	38
Northeast Des Moines	0	0	0	18,900	18,900	18,900	75,440	75,440	83,348	94,340	94,340	102,248	6	6	7
South Des Moines	0	0	0	94,008	94,008	94,008	87,960	87,960	87,960	181,968	181,968	181,968	16	16	16
Ankeny	0	0	0	198,446	209,542	230,464	111,797	101,237	101,237	310,243	310,779	331,701	28	28	29
Greater Des Moines Total	6,672,585	6,672,585	6,709,017	3,834,720	3,561,308	3,582,230	3,635,730	3,475,856	3,483,764	14,143,035	13,709,749	13,775,011	405	402	405

OFFICE OCCUPANCY - COMPETITIVE MARKET

FIG. 8

Submarket	CLASS A			CLASS B			CLASS C			TOTAL (SF)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	86.9%	86.8%	88.1%	75.0%	78.1%	78.9%	85.9%	85.7%	89.2%	83.7%	84.4%	86.1%
CBD	74.3%	75.8%	79.0%	67.3%	82.5%	82.7%	77.8%	84.5%	89.4%	73.0%	79.3%	82.0%
Northwest Des Moines	90.2%	90.2%	91.2%	67.4%	67.4%	100.0%	86.4%	80.7%	83.5%	86.1%	81.4%	85.2%
Northeast Des Moines	N/A	N/A	N/A	75.0%	69.5%	58.8%	90.5%	91.8%	86.2%	87.4%	87.4%	81.1%
South Des Moines	N/A	N/A	N/A	84.4%	78.8%	85.3%	87.5%	87.5%	90.2%	85.9%	83.0%	87.7%
Ankeny	N/A	N/A	N/A	85.7%	89.9%	88.4%	81.7%	89.1%	92.0%	84.3%	89.6%	89.5%
Greater Des Moines Total	81.9%	82.4%	84.5%	72.5%	80.3%	81.1%	83.4%	84.9%	88.5%	79.7%	82.5%	84.6%

Office - Competitive Market

Occupancy and Events

Occupancy percentage in the competitive market is typically lower and can be more variable compared to the entire market. Overall occupancy of competitive office space has increased over 2% since the previous survey. Class A competitive space experienced a 2.1% increase in occupancy, Class B competitive space experienced an increase in occupancy of 0.8%, and Class C competitive space experienced the largest gain in occupancy of 3.6%.

The competitive market experienced positive total absorption of 345,042 SF across all three classes. The largest contribution to the positive absorption occurred in the Class A CBD, which experienced positive absorption of 85,767 SF.

The CBD Class A competitive office space occupancy rate is 79%, up 3.2% from last year, and is experiencing a continued trend of improved occupancy.

The general economy and Iowa's unemployment rate continue to improve. However, little inventory is expected to be added to the market in 2014. In many situations, current rental rates do not justify new construction. Expect modest overall positive absorption in the office market through 2014. While the competitive office market fundamentals continue to improve, competition for tenants continues as well. Concessions and tenant improvement allowances remain a factor, especially in less desirable space.

The only new office that has been constructed is located at 2325 NW State Street in Ankeny. This multi-tenant competitive office building contains 20,922 SF. This has been added to the Class B office category for Ankeny.

Plans for any new speculative office construction remain limited.

OFFICE ABSORPTION - COMPETITIVE MARKET

FIG. 9

Submarket	CLASS A			CLASS B			CLASS C			TOTAL (SF)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	129,131	(3,913)	82,966	(94,037)	59,313	15,307	78,368	(3,477)	60,851	113,462	51,923	159,124
CBD	10,721	40,203	85,767	(80,933)	6,492	2,605	38,367	(50,351)	48,134	(31,845)	(3,656)	136,506
Northwest Des Moines	4,916	0	793	0	0	7,547	13,728	(27,947)	13,728	18,644	(27,947)	22,068
Northeast Des Moines	N/A	N/A	N/A	(945)	(1,039)	(2,022)	0	981	2,592	(945)	(58)	570
South Des Moines	N/A	N/A	N/A	(2,914)	(5,264)	6,111	(968)	0	2,375	(3,882)	(5,264)	8,486
Ankeny	N/A	N/A	N/A	27,918	18,310	15,352	(8,497)	(1,136)	2,936	19,421	17,174	18,288
Greater Des Moines Total	144,768	36,290	169,526	(150,911)	77,812	44,900	120,998	(81,930)	130,616	114,855	32,172	345,042

Flex

Inventory

All of the flex space is considered to be “competitive” space. The occupancy trend of flex space is more office oriented in nature, especially in the CBD. In other submarkets, flex space has a wider variety of occupiers.

Over 60% of the flex market is located in the Western Suburbs submarket, which has an inventory of 3,313,328 SF. This is an increase of 21,720 SF from the previous survey, which is the result of a new flex building that was constructed in 2013 and is located along NW Urbandale Drive in Urbandale. This is a multi-tenant building and is the third building in the Anderson Business Park.

Other than the Western Suburbs submarket, no other new flex construction has occurred since the previous survey.

Occupancy and Events

Overall occupancy of flex space improved since the last survey from 86.7% in 2013 to 90.6% in 2014. Occupancy gains were experienced in all submarkets with the exception of the Northwest submarket, which experienced a decline in occupancy. Flex space in the South submarket remains unchanged from the previous survey.

Quoted net lease rates for flex properties average \$9.50/SF for finished office space and \$4.50/SF for unfinished space. In many cases, actual base rents have been lowered in addition to offering concessions such as rent abatement and increased tenant improvement allowances.

Absorption

Absorption is the net increase or decrease in actual area occupied between survey periods.

There has been positive absorption in occupied flex space for the past three years. In 2012, there was 17,241 SF of positive absorption, and 50,768 SF was absorbed in 2013. In 2014, 223,764 SF of positive absorption occurred since the last survey. This is a significant increase in absorption which has not occurred for the past 11 years. The positive absorption was driven mostly by the Western Suburbs submarket and Ankeny submarket, absorbing space by a number of smaller to medium occupiers.

FLEX INVENTORY

FIG. 10

Submarket	Total (SF)			Total Buildings		
	2012	2013	2014	2012	2013	2014
Western Suburbs	3,273,236	3,291,608	3,313,328	91	92	93
CBD	735,885	706,197	706,197	14	13	13
Northwest Des Moines	99,161	99,161	99,161	6	6	6
Northeast Des Moines	586,110	586,110	586,110	21	21	21
South Des Moines	237,370	237,370	237,370	5	5	5
Ankeny	421,710	421,710	421,710	16	16	16
Greater Des Moines Total	5,353,472	5,342,156	5,363,876	153	153	154

FLEX OCCUPANCY

FIG. 11

Submarket	TOTAL (SF)		
	2012	2013	2014
Western Suburbs	86.1%	88.3%	91.1%
CBD	85.4%	78.9%	82.1%
Northwest Des Moines	96.7%	92.2%	90.2%
Northeast Des Moines	84.5%	87.5%	90.9%
South Des Moines	77.8%	97.7%	97.7%
Ankeny	83.3%	77.0%	93.9%
Greater Des Moines Total	85.5%	86.7%	90.6%

FLEX ABSORPTION

FIG. 12

Submarket	TOTAL (SF)		
	2012	2013	2014
Western Suburbs	49,099	88,234	111,952
CBD	12,510	(71,256)	22,598
Northwest Des Moines	(1,289)	(4,462)	(1,983)
Northeast Des Moines	(20,514)	17,583	19,928
South Des Moines	(5,697)	47,237	0
Ankeny	(16,868)	(26,568)	71,269
Greater Des Moines Total	17,241	50,768	223,764

Industrial

Inventory

Industrial properties are divided into categories of warehouse and manufacturing space. Warehouse and manufacturing inventory are analyzed in two general age groups: pre-1970 and post-1970.

This segregation of inventory and occupancy into subgroups allows for a more precise analysis of each sector. Special use properties are excluded from the analysis.

In the industrial market, there is significant competition across submarkets so aggregate occupancy and absorption are more of a consideration.

WAREHOUSE INVENTORY

FIG. 13

Submarket	PRE-1970			POST-1970			TOTAL (SF)			TOTAL BUILDINGS		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	1,309,748	1,309,748	1,278,956	7,341,463	7,797,299	8,041,962	8,651,211	9,107,047	9,320,918	190	195	197
CBD	1,662,631	1,551,482	1,363,417	206,065	194,565	194,565	1,868,696	1,746,047	1,557,982	56	51	48
Northwest Des Moines	793,979	741,624	725,104	520,086	520,086	520,086	1,314,065	1,261,710	1,245,190	71	69	68
Northeast Des Moines	4,426,029	4,386,613	4,354,396	8,056,143	8,056,143	8,270,539	12,482,172	12,442,756	12,624,935	246	244	249
South Des Moines	1,596,438	1,596,438	1,596,438	2,152,001	2,152,001	2,152,001	3,748,439	3,748,439	3,748,439	56	56	56
Ankeny	271,610	271,610	271,610	2,559,875	3,009,275	3,009,275	2,831,485	3,280,885	3,280,885	64	65	65
Greater Des Moines Total	10,060,435	9,857,515	9,589,921	20,835,633	21,729,369	22,188,428	30,896,068	31,586,884	31,778,349	683	680	683

MANUFACTURING INVENTORY

FIG. 14

Submarket	PRE-1970			POST-1970			TOTAL (SF)			TOTAL BUILDINGS		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	1,325,867	1,325,867	1,312,217	1,705,484	1,767,989	1,718,007	3,031,351	3,093,856	3,030,224	60	60	59
CBD	267,661	267,661	237,023	64,900	64,900	64,900	332,561	332,561	301,923	12	12	11
Northwest Des Moines	795,857	795,857	795,857	50,587	50,587	50,587	846,444	846,444	846,444	12	12	12
Northeast Des Moines	4,387,366	4,387,366	4,340,106	1,584,363	1,724,293	1,756,713	5,971,729	6,111,659	6,096,819	70	70	70
South Des Moines	388,600	388,600	388,600	810,742	810,742	810,742	1,199,342	1,199,342	1,199,342	19	19	19
Ankeny	565,921	565,921	565,921	1,010,971	1,300,411	1,342,963	1,576,892	1,866,332	1,908,884	13	14	15
Greater Des Moines Total	7,731,272	7,731,272	7,639,724	5,227,047	5,718,922	5,743,912	12,958,319	13,450,194	13,383,636	186	187	186

Industrial

Occupancy and Events

Overall occupancy of warehouse space in the Greater Des Moines market has steadily improved over the last three years. The occupancy of manufacturing space has been hovering above 95% occupied for several years. Over 190,000 SF of net new warehouse space has been added to the market since 2013. Warehouse inventory for both the Western Suburbs and Northeast submarkets increased from the previous survey. The CBD experienced a decline in warehouse inventory due to the repurposing of several warehouses to residential uses. Overall manufacturing inventory has declined since the last survey, with declines occurring in the Western Suburbs, CBD, and Northeast submarkets. There was an increase in manufacturing space in the Ankeny submarket, driven by the addition of the PurFoods building on SE 72nd Street. Growth has been driven by an increase in demand from warehouse, distribution, manufacturing, and sports/entertainment occupiers.

Lease rates have remained stable with nominal rent reductions and concessions. Generally, net lease rates for warehouse space range from \$2.50/SF to \$4.95/SF

depending on the age, quality of the building, and features such as clear height, loading capabilities, and interstate access.

The following summarizes current and recently completed industrial construction and other relevant events in the Greater Des Moines metropolitan market.

- At 3210 SE 72nd Street in Ankeny, a new 42,552 SF manufacturing facility has been delivered for PurFoods.
- In the Northwest submarket, a pre-1970 warehouse containing 16,520 SF has been removed from the survey. This was the Mercy warehouse located at the corner of 6th Avenue and University Avenue. The building was razed and a new QuikTrip convenience store is being constructed.
- An additional pre-1970 warehouse has been razed in the Northeast submarket. This building contained 32,217 SF and was located on Southeast Raccoon Street.
- In Grimes, a 110,000 SF warehouse was completed and delivered in 2013. This is the second building of its kind within the Grimes Business Park. Construction is planned for Spring 2014 on a third building within the same business park. This is another 110,000 SF facility, which is currently being marketed for pre-leasing.
- The Rocket Transfer warehouse has been converted into residential apartments and has been removed from the survey. This is located at 320 SW 7th Street in the southern CBD. This warehouse contained 59,040 SF, which has been removed from the pre-1970 warehouse inventory.
- Also in the CBD, the former Wellmark warehouse located on SW 2nd Street has been removed from the survey because it is being converted to residential uses.

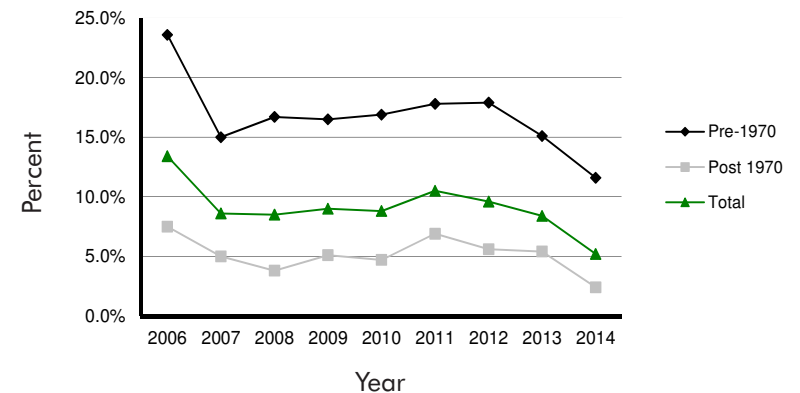
WAREHOUSE OCCUPANCY

FIG. 15

Submarket	PRE-1970			POST-1970			TOTAL		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	94.4%	94.4%	82.5%	93.2%	92.9%	96.5%	93.4%	93.1%	94.6%
CBD	58.3%	64.7%	68.3%	90.0%	76.3%	78.1%	61.8%	66.0%	69.5%
Northwest Des Moines	74.9%	85.6%	90.5%	100.0%	97.9%	100.0%	84.8%	90.7%	94.5%
Northeast Des Moines	84.6%	86.3%	96.9%	96.5%	95.5%	98.5%	92.3%	92.3%	97.9%
South Des Moines	90.1%	90.4%	84.5%	95.8%	96.8%	99.5%	93.4%	94.0%	93.1%
Ankeny	100.0%	100.0%	100.0%	89.0%	95.4%	97.5%	90.1%	95.8%	97.7%
Greater Des Moines Total	82.1%	84.9%	88.4%	94.4%	94.6%	97.6%	90.4%	91.6%	94.8%

GREATER DES MOINES WAREHOUSE VACANCY

FIG. 16



Industrial

- In the Albaugh Industrial Park in the Northeast submarket, there were five new warehouse buildings constructed and delivered in 2013 and more that are currently under construction. This is the area east of Northeast 14th Street on Industry Drive between NE 58th Avenue and NE 66th Avenue. Some of these warehouses are owner occupied and some of them are speculative warehouses that are for lease or for sale. The combined square footage of these five warehouses

totals nearly 200,000 SF. Several additional buildings are currently under construction and will be added to the next survey.

- Also in the Northeast submarket within the Jacobson Industrial Park located at NE 58th and NE 19th, two new high cube distribution facilities are underway. The first is a 150,000 SF facility that is 100% leased with a scheduled delivery estimated for the 2nd quarter of 2014. The second facility will

contain a minimum of 150,000 SF which can be expanded to a total of 287,500 SF. Delivery of this facility is estimated for the 3rd quarter of 2014.

- Two additional high cube warehouses are being planned for future construction in the Greater Des Moines area. One of these is proposed for the Airport Commerce Park South, and the other is planned for Ankeny.

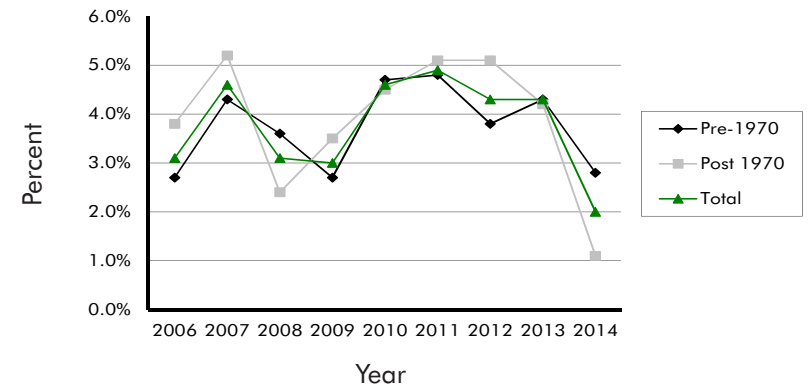
MANUFACTURING OCCUPANCY

FIG. 17

Submarket	PRE-1970			POST-1970			TOTAL		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	95.1%	94.2%	99.4%	94.3%	94.4%	98.9%	94.6%	94.3%	99.1%
CBD	85.6%	74.2%	73.0%	84.0%	84.0%	100.0%	85.3%	76.1%	78.8%
Northwest Des Moines	93.7%	93.7%	93.7%	100.0%	43.6%	43.6%	94.0%	90.7%	90.7%
Northeast Des Moines	97.8%	97.7%	97.9%	100.0%	100.0%	100.0%	98.4%	98.4%	98.5%
South Des Moines	90.1%	90.1%	100.0%	81.0%	87.6%	98.3%	83.9%	88.4%	98.9%
Ankeny	100.0%	100.0%	100.0%	99.7%	99.8%	100.0%	99.8%	99.9%	100.0%
Greater Des Moines Total	96.2%	95.7%	97.2%	94.9%	95.8%	98.9%	95.7%	95.7%	98.0%

GREATER DES MOINES MANUFACTURING VACANCY

FIG. 18



Absorption

Absorption is the net increase or decrease in actual area occupied between survey periods.

In the Greater Des Moines total warehouse market, both inventory and occupancy increased, resulting in positive aggregate absorption of over 1,000,000 SF, for the second year in a row. The Northeast submarket led with 886,627 SF of absorption, followed by the Western Suburbs submarket with 335,540 SF of positive absorption.

The CBD and South submarkets each experienced negative warehouse absorption. In the manufacturing sector, there was over 235,000 SF of net positive absorption since the prior survey. This is driven mostly by the South and Western Suburbs submarkets, which had a combined positive absorption of over 200,000 SF.

Fig. 19 and Fig. 20 (page 11) summarize absorption for both warehouse and manufacturing segments.

Industrial

WAREHOUSE ABSORPTION

FIG. 19

Submarket	PRE-1970			POST-1970			TOTAL		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	(19,927)	0	(181,263)	114,327	401,447	516,803	94,400	401,447	335,540
CBD	(63,658)	34,495	(72,595)	0	(37,005)	3,502	(63,658)	(2,510)	(69,093)
Northwest Des Moines	(37,317)	40,140	21,389	11,442	(10,922)	10,922	(25,875)	29,218	32,311
Northeast Des Moines	39,834	41,226	433,763	534,331	(80,561)	452,864	574,165	(39,335)	886,627
South Des Moines	(22,350)	4,789	(94,190)	267,684	21,520	58,104	245,334	26,309	(36,086)
Ankeny	10,593	0	0	(167,700)	592,560	63,195	(157,107)	592,560	63,195
Greater Des Moines Total	(92,825)	120,650	107,104	760,084	887,039	1,105,390	667,259	1,007,689	1,212,494

MANUFACTURING ABSORPTION

FIG. 20

Submarket	PRE-1970			POST-1970			TOTAL		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Western Suburbs	37,124	(11,933)	55,377	0	60,710	30,127	37,124	48,777	85,504
CBD	0	(30,513)	(25,578)	8,113	0	10,384	8,113	(30,513)	(15,194)
Northwest Des Moines	0	0	0	0	(28,531)	0	0	(28,531)	0
Northeast Des Moines	66,482	(4,387)	(37,493)	0	139,930	32,420	66,482	135,543	(5,073)
South Des Moines	(38,471)	0	38,471	(12,972)	53,509	86,749	(51,443)	53,509	125,220
Ankeny	0	0	0	43,791	289,872	45,153	43,791	289,872	45,153
Greater Des Moines Total	65,135	(46,833)	30,777	38,932	515,490	204,833	104,067	468,657	235,610

Retail

Retail Introduction

This survey focuses on three major categories of retail development including regional malls, neighborhood and community centers, and big box retail. This is not intended to be inclusive of the entire retail market, as there are numerous smaller free-standing retail properties which are not included in our survey.

Regional Malls

The four regional malls in the Greater Des Moines area are Valley West Mall and Jordan Creek Town Center, both located in the Western Suburbs submarket (West Des Moines); Merle Hay Mall, located in the Northwest Des Moines submarket; and Southridge Mall, located in the South Des Moines submarket.

Renovations began in 2012 for Southridge Mall, converting a majority of the mall to outdoor-facing retail. This mall has not been included in the last two surveys and will not be included again this year. The

outdoor phase of the renovation has been completed. The anchor stores include Younkers, Sears, Target, and DMACC, which are all 100% occupied.

Occupancy at the other three malls remains strong. Jordan Creek Town Center has had the highest occupancy of all the malls since its opening in 2004. Occupancy continues to be strong at 98%.

Valley West Mall remained relatively stable from the previous year with an occupancy of 96.5%. This is an increase of 1.5% from 2013, although few changes to the mall have been experienced since the prior survey.

Merle Hay Mall's multi-million dollar redevelopment is well underway, including a new facade, demolition of the parking deck, which will improve sight lines to the mall, and interior common area improvements. New stores such as Rue21, Complete Nutrition, MC Sports, Deb Shops, and Maurices have been added since the last survey. The Fall 2014 addition of Flix Brewhouse on the upper level of the mall will bring Iowa's first multi-screen cinema and dine-in restaurant/microbrewery.

The following table (Fig. 21) summarizes total mall area, including mall anchors as well as the number of stores and current occupancy percentages.

REGIONAL SHOPPING MALL STATUS*							FIG. 21		
Center	Inventory (SF)			Total Stores			Occupancy		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Merle Hay Mall	1,163,000	1,163,000	1,163,000	131	131	131	94.7%	96.4%	96.0%
Valley West Mall	910,000	910,000	910,000	132	132	132	93.0%	95.0%	96.5%
Jordan Creek Town Center	979,000	979,000	979,000	138	138	138	98.0%	98.8%	98.0%
Greater Des Moines Total	3,052,000	3,052,000	3,052,000	401	401	401	95.3%	96.8%	96.8%

* Southridge Mall held from figure due to redevelopment

Retail

Neighborhood and Community Centers

The neighborhood and community center analysis focuses on multi-tenant buildings with small to medium size occupants. Retail center bays smaller than 20,000 SF are included in this segment. Retail bays larger than 20,000 SF are analyzed separately in the big box retail segment.

Occupancy and Events

In 2014, the Greater Des Moines market experienced another increase in inventory with over 100,000 SF of net new space added. Each of the submarkets experienced increases in inventory, with the exception of the South submarket which remained unchanged. Additionally, overall occupancy increased for the third year in a row. Four of the six submarkets experienced increases in occupancy with declines in the CBD and South submarkets.

Overall retail occupancy rates have experienced gradual improvements since the end of the recession. In some cases, landlords continue to offer concessions to attract and retain tenants. Fundamentals are improving and consumer confidence is growing, and new speculative retail construction has begun.

- Two separate retail centers in Ankeny have been added due to new construction. A retail center on Oralabor Road across from the DMACC Campus contains 15,910 SF, and another center on SE Delaware contains 6,720 SF.
- In Waukee, a 7,999 SF multi-tenant retail center has been added at 85 NE Dartmoor Road, across the street from another multi-tenant retail center which was added last year.
- In Altoona, two separate retail centers have been constructed. One of the buildings is located in front of Target/Lowe's on 8th Street SW and contains 5,070 SF and two retail bays. The other multi-tenant retail center contains 6,600 SF and is located on Adventureland Drive near Prairie Meadows.
- In West Des Moines, two new retail centers have been added to inventory. Greenway Crossing added a 7,320 SF multi-tenant retail center at 8950 University Avenue. Tenants include Dunkin' Donuts and Gusto Pizza. The other center, located at 6630 Mills Civic Parkway, was leased to three tenants prior to completion of construction.
- In the Northwest submarket, a new 9,460 SF retail center has been delivered across from the entrance

to Target at Merle Hay Mall. Tenants include Taco John's, CherryBerry, and Noodles & Company.

- Also in the Northwest submarket, the former Bob Brown Chevrolet building has been sold and is being converted to retail uses. A new multi-tenant building has been constructed on an outlot, with another multi-tenant building proposed for future construction.
- In the CBD, a small 4,867 SF retail center has been added. This building is located at the corner of 17th Street and Ingersoll Avenue on an outlot of Gateway Lofts.

Absorption

Absorption is the net increase or decrease in actual area occupied between survey periods.

The Greater Des Moines area experienced nearly 300,000 SF of positive net absorption since the first quarter of 2013. Contributing factors include significant positive absorption in the Western Suburbs and also positive absorption in the Northwest, Northeast, and Ankeny submarkets.

Fig. 24 (Page 14) summarizes absorption between the first quarters of 2012, 2013, and 2014.

NEIGHBORHOOD AND COMMUNITY CENTER INVENTORY				FIG. 22		
Submarket	TOTAL (SF)			TOTAL BUILDINGS		
	2012	2013	2014	2012	2013	2014
Western Suburbs	3,534,475	3,565,936	3,607,235	175	177	181
CBD	112,000	112,000	116,867	2	2	3
Northwest Des Moines	738,197	747,167	784,296	49	50	53
Northeast Des Moines	791,595	791,595	803,265	39	39	41
South Des Moines	616,938	616,938	616,938	31	31	31
Ankeny	640,580	670,311	692,941	36	40	42
Greater Des Moines Total	6,433,785	6,503,947	6,621,542	332	339	351

NEIGHBORHOOD AND COMMUNITY CENTER OCCUPANCY				FIG. 23		
Submarket	2012	2013	2014			
Western Suburbs	76.9%	78.4%	82.6%			
CBD	50.7%	51.9%	49.7%			
Northwest Des Moines	81.8%	78.3%	83.8%			
Northeast Des Moines	81.5%	85.7%	86.8%			
South Des Moines	67.5%	74.9%	74.6%			
Ankeny	82.5%	81.4%	82.5%			
Greater Des Moines Total	77.3%	78.9%	81.9%			

Retail

2014 New Construction Deliveries and Plans

- Construction has begun on a new multi-tenant retail center at 3355 SE Gateway Drive in Grimes, located in the Gateway Business Park. The retail center is proposed to contain over 27,000 SF, with delivery expected in summer 2014.
- The third phase of Greenway Crossing has been proposed at 90th Street and University Avenue in West Des Moines.
- The Plaza at Jordan Creek is a 325,000 SF regional power center to be located adjacent to Jordan Creek Town Center north of Dick's Sporting Goods. The power center will have Nordstrom Rack as its main anchor and will also have two additional junior anchors.
- In Clive, a five bay retail center is proposed for the southeast corner of 128th Street and Hickman Road. Construction has not yet begun, but delivery is proposed for Fall 2014.
- In West Des Moines, construction is beginning on Hawthorne Plaza Phase II at 92nd Street and University Avenue. This is a multi-tenant retail center that is proposed to contain nearly 30,000 SF and is scheduled to be delivered Fall 2014.
- New construction of a retail/restaurant corridor has been proposed for the southeast quadrant of Mills Civic Parkway and I-35. The new corridor is proposed to include two buildings totaling nearly 30,000 SF.

NEIGHBORHOOD AND COMMUNITY CENTER ABSORPTION

FIG. 24

Submarket	Total (SF)		
	2012	2013	2014
Western Suburbs	129,655	77,682	183,882
CBD	(15,568)	1,344	(45)
Northwest Des Moines	(2,692)	(18,813)	72,208
Northeast Des Moines	11,874	33,247	18,837
South Des Moines	25,294	45,653	(1,851)
Ankeny	42,071	17,155	26,043
Greater Des Moines Total	190,634	156,268	299,074

Big Box Retail

Big Box stores generally include grocery stores, home improvement stores, large retail stores, and discount stores that contain approximately 20,000 SF.

Inventory

Over half of the big box retail inventory is located in the Western Suburbs, which includes several retailers located on or near Jordan Creek Town Center regional mall campus. The Jordan Creek development also includes, in addition to the enclosed mall, detached retail centers, restaurants, and hotels.

Big box inventory increased from 2013 to 2014, with over 270,000 SF of net new space. There have been three grocery stores newly constructed and added since the last survey as well as one sporting goods store.

Hy-Vee constructed new stores in Waukee and Ankeny, with each store containing nearly 100,000 SF. A new Fareway grocery store was constructed in Pleasant Hill and contains over 30,000 SF. The sporting goods store is located near Jordan Creek Mall and contains over 55,000 SF.

Fig. 25 (page 15) summarizes big box retail inventory for 2012, 2013, and 2014.

Occupancy and Events

Overall big box occupancy increased from 96.7% in 2013, to an occupancy of 97.5% in 2014. Each of the submarkets experienced at least nominal increases in occupancy, with the largest increase of 2.2% occurring in the Ankeny submarket.

- In Waukee, construction has been completed on a

new Hy-Vee located at the northwest quadrant of Alice's Road and Hickman Road. This new store contains 89,765 SF and opened in summer 2013.

- A new Hy-Vee has also been constructed in Ankeny and is located at the northwest quadrant of Oralabor Road and State Street. This building contains 95,000 SF and is within the Prairie Trail development.
- Dick's Sporting Goods was constructed and delivered late 2013 and contains 55,138 SF. This is located west of Jordan Creek Town Center and has frontage on Jordan Creek Parkway.
- The Fareway grocery store in Pleasant Hill is located on the north side of University Avenue near the 56th Street intersection. The store contains 31,240 SF and was completed at the end of 2013.

Retail

BIG BOX RETAIL INVENTORY

FIG. 25

Submarket	TOTAL (SF)			TOTAL BUILDINGS		
	2012	2013	2014	2012	2013	2014
Western Suburbs	4,888,109	4,920,178	5,065,081	63	63	65
CBD	0	0	0	0	0	0
Northwest Des Moines	447,926	447,926	447,926	10	10	10
Northeast Des Moines	1,611,042	1,586,692	1,617,932	21	20	21
South Des Moines	1,302,093	1,302,093	1,302,093	20	20	20
Ankeny	1,296,566	1,559,152	1,654,152	19	20	21
Greater Des Moines Total	9,545,736	9,816,041	10,087,184	133	133	137

BIG BOX RETAIL OCCUPANCY

FIG. 26

Submarket	2012	2013	2014
Western Suburbs	95.2%	96.7%	97.3%
CBD	N/A	N/A	N/A
Northwest Des Moines	91.6%	96.4%	96.4%
Northeast Des Moines	95.2%	95.1%	95.2%
South Des Moines	94.0%	98.4%	99.4%
Ankeny	96.3%	97.1%	99.3%
Greater Des Moines Total	95.0%	96.7%	97.5%

2014 New Construction Deliveries and Plans

Construction of a new Sam's Club store is proposed to begin in 2014 and will contain approximately 135,000 SF. Ground breaking is expected in the summer, and the new building will be located next to the Mills Fleet Farm store in Ankeny.

Seattle based Nordstrom, Inc. has announced plans to open a Nordstrom Rack as the anchor in the Plaza at Jordan Creek in West Des Moines. The approximately 35,000 SF store is scheduled to open in Fall 2014 and will be located north of Dick's Sporting Goods.

Fareway has announced plans to build an approximately 30,000 SF grocery store at 329 Grand Avenue in West Des Moines.

Absorption

Overall, big box absorption was positive with 343,496 SF absorbed since the first quarter of 2013. Absorption was positive in each of the submarkets. The two submarkets which contributed the most to the positive absorption were the Western Suburbs and Ankeny submarkets. This is driven by the addition of new inventory that is fully occupied.

The largest amount of positive absorption occurred in the Western Suburbs submarket, which experienced 170,512 SF of positive absorption. Ankeny also experienced positive absorption with 128,636 SF.

BIG BOX RETAIL ABSORPTION

FIG. 27

Submarket	TOTAL (SF)		
	2012	2013	2014
Western Suburbs	(69,676)	104,332	170,512
CBD	0	0	0
Northwest Des Moines	0	21,500	0
Northeast Des Moines	24,166	(24,768)	31,327
South Des Moines	0	57,292	13,021
Ankeny	6,731	265,344	128,636
Greater Des Moines Total	(38,779)	423,700	343,496

Area Demographics

Employment

Overall, the Des Moines MSA improved in 2013, up 3,500 jobs from 2012, with the largest gain in financial services. Insurance carriers and related activities added an additional 700 jobs.

Iowa Workforce Development indicates that 2,900 jobs were shed in December 2013. December losses are not unusual for the Des Moines metro area; however, this loss is historically large. Private industry was responsible for all of the loss in December as government added 300 jobs at the federal and state level, yet it remains down 500 jobs versus one year ago.

Since December 2012, non-farm employment remains up 0.8%. Trade and transportation now leads all super sectors following higher than expected gains in wholesale and retail trade. Professional and business services follow trade and transportation closely, then education and health services. Only three private sectors are down annually: other services, leisure and hospitality, and information.

Total unemployment remains consistently below the national average (Fig. 28).

Population

The 2013 estimate for the Des Moines MSA indicates a population of 595,339. The total Des Moines MSA population increased 79% over the 20-year period from 1990 to 2010.

Between 2000 and 2010, the Des Moines MSA grew 25%. This growth rate outpaced some other Midwest MSAs for the same period: Omaha 13%, Minneapolis 7.8%, Chicago 4%, and St. Louis 8.3%.

Building Permits

The total aggregate number of single-family building permits for the Greater Des Moines metropolitan area are shown from 2006 through 2013 (Fig 29). In the Greater Des Moines area, increases have occurred each year in the number of single-family building permits issued since 2008. The record high occurred in 2005 and then declined in 2006 and 2007. From 2007 to 2008, a significant decline was experienced. In 2013, the number of permits issued outpaced each of the prior five years and nears the mark set in 2007. Growth rates greater than 20% occurred in the cities of Ankeny, Bondurant, Clive, Pleasant Hill, Urbandale, and Waukee.

UNEMPLOYMENT RATE

FIG. 28

YEAR	DES MOINES MSA	STATE OF IOWA	UNITED STATES
1998	2.1%	2.9%	4.5%
1999	1.9%	2.6%	4.2%
2000	2.4%	2.8%	4.0%
2001	2.8%	3.3%	4.7%
2002	3.5%	3.9%	5.8%
2003	4.0%	4.4%	6.0%
2004	4.5%	4.7%	5.5%
2005	4.0%	4.3%	5.1%
2006	3.5%	3.8%	4.6%
2007	3.5%	3.7%	4.6%
2008	3.8%	4.0%	5.8%
2009	6.2%	6.6%	10.0%
2010	6.5%	6.7%	9.8%
2011	6.0%	6.0%	8.5%
2012	5.2%	5.2%	8.1%
2013	4.6%	4.7%	7.4%

Source: Iowa Workforce Development & Bureau of Labor Statistics

SINGLE-FAMILY RESIDENTIAL BUILDING PERMITS

FIG. 29

	2006	2007	2008	2009	2010	2011	2012	2013
Total	2,970	2,333	1,198	1,445	1,427	1,708	1,776	2,125
Percentage Change	(20.97%)	(21.45%)	(48.65%)	20.62%	(1.25%)	19.69%	3.98%	19.65%

Source: Greater Des Moines Metro Area Municipalities

Area Demographics

Income

Dallas County has the highest per capita income of the five-county Des Moines MSA. Polk and Warren counties are similar and next highest, followed by Madison County and Guthrie County, respectively. The Des Moines MSA and five-county area all outpace the State of Iowa as a whole for per capita income (Fig. 30).

2013 HOUSEHOLD INCOME			FIG. 30
Area	Median Household Income	Average Household Income	Per Capita Income
Des Moines MSA	\$56,802	\$76,778	\$30,324
Dallas County	\$69,663	\$92,756	\$35,508
Polk County	\$55,158	\$74,656	\$29,740
Warren County	\$60,938	\$78,063	\$29,667
Madison County	\$54,082	\$70,585	\$27,300
Guthrie County	\$50,008	\$63,017	\$26,370

Source: ESRI, US Bureau of the Census

Retail Sales

Des Moines is a regional trade center and draws consumers from outside the MSA. Retail sales in the Des Moines MSA experienced a decrease from 2009 to 2010. Increases have occurred in each year following with the largest gain from the prior year occurring in 2012 (Fig. 31).

RETAIL SALES			FIG. 31
YEAR	DES MOINES MSA	PERCENTAGE CHANGE	
2004	\$6,576,250,006	(1.96%)	
2005	\$7,076,325,335	7.60%	
2006	\$7,484,250,875	5.76%	
2007	\$7,569,326,208	1.14%	
2008	\$7,755,191,970	2.46%	
2009	\$7,786,021,305	0.40%	
2010	\$7,588,426,960	(2.54%)	
2011	\$7,870,715,301	3.72%	
2012	\$8,270,064,777	5.07%	
2013	\$8,411,526,797	1.71%	

The 2005-2013 figures include five counties, up from three counties used in 2004.

Source: Iowa Retail and Use Tax Report, Iowa Department of Revenue and Finance

Categories / Methodology

Property Categories

Office - Individual buildings consist of Classes A, B, or C primarily based on their quality, age, location, and appeal in the market. The survey then indicates full-service rental rate ranges for each class. The survey includes buildings 5,000 SF and larger. Medical and government buildings are excluded.

The office category consists of analysis of both the entire market and a competitive subset. The competitive market consists of buildings the market considers to be competing for tenants.

Warehouse - Individual bulk storage and distribution warehouse properties 7,500 SF and larger are all considered. Special use properties such as cold storage

facilities and truck terminals with multiple doors used to transfer freight between trucks are not included.

Manufacturing - Light and heavy manufacturing facilities 7,500 SF and larger are all considered. Truck shops and other service facilities are not included. Other special use properties such as bulk oil facilities are also not included.

Flex Space - This multi-purpose space typically contains a better quality front facade, but also contains dock high or drive-in doors at the rear of the building. This type of space is designed to easily accommodate 100% finish or any combination of office, retail, showroom, and warehouse.

Retail - While there are a variety of retail uses, this survey focuses on regional shopping malls, neighborhood and community centers, and big box retail. The neighborhood and community centers analysis focuses on multi-tenant with small to medium size occupiers. Big box includes grocery stores, home improvement stores, and larger retail and discount stores containing approximately 20,000 SF. Regional shopping centers are considered separately.

Methodology

Inventory of each property type is based on the Polk County Assessor's records and municipal building permits. The public data is further refined and classified through a variety of direct contacts and physical inspections.

Properties are grouped by property type and broad geographic region. Offices are further divided by Classes A, B, and C, and industrial properties are divided into two broad age groups.

All industrial, flex, and retail space is considered competitive space since occupiers can change from long-term to short-term leases, and from leasing to owner-occupying space. Therefore, occupancy estimates of these categories are based on the actual occupancy of the entire inventory of space.

The office category analysis consists of both the entire market and a competitive subset in Classes A, B, and C. The competitive market consists of buildings the market considers to be competing for tenants. The competitive inventory can vary from year to year without any new construction as buildings may be reclassified. Occupancy percentage in the competitive market is typically lower and can be more varied compared to the entire market, due to a smaller inventory.

Overall, 99% of the office, flex, industrial, retail, and big box space was surveyed on a random basis, resulting in at least a 99.5% statistical confidence level.

Absorption is defined as the net increase or decrease in actual area occupied between survey periods. Net absorption could occur in existing available spaces, even when no new construction occurs - where occupancy increases. Absorption could be negative in the absence of demolition, new construction, or when no change in inventory occurs, due to a decline in occupancy.

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The information contained herein has been obtained from sources believed reliable. While we do not doubt its accuracy, we make no guarantee, warranty, or representation, either expressed or implied, as to its accuracy or completeness.

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