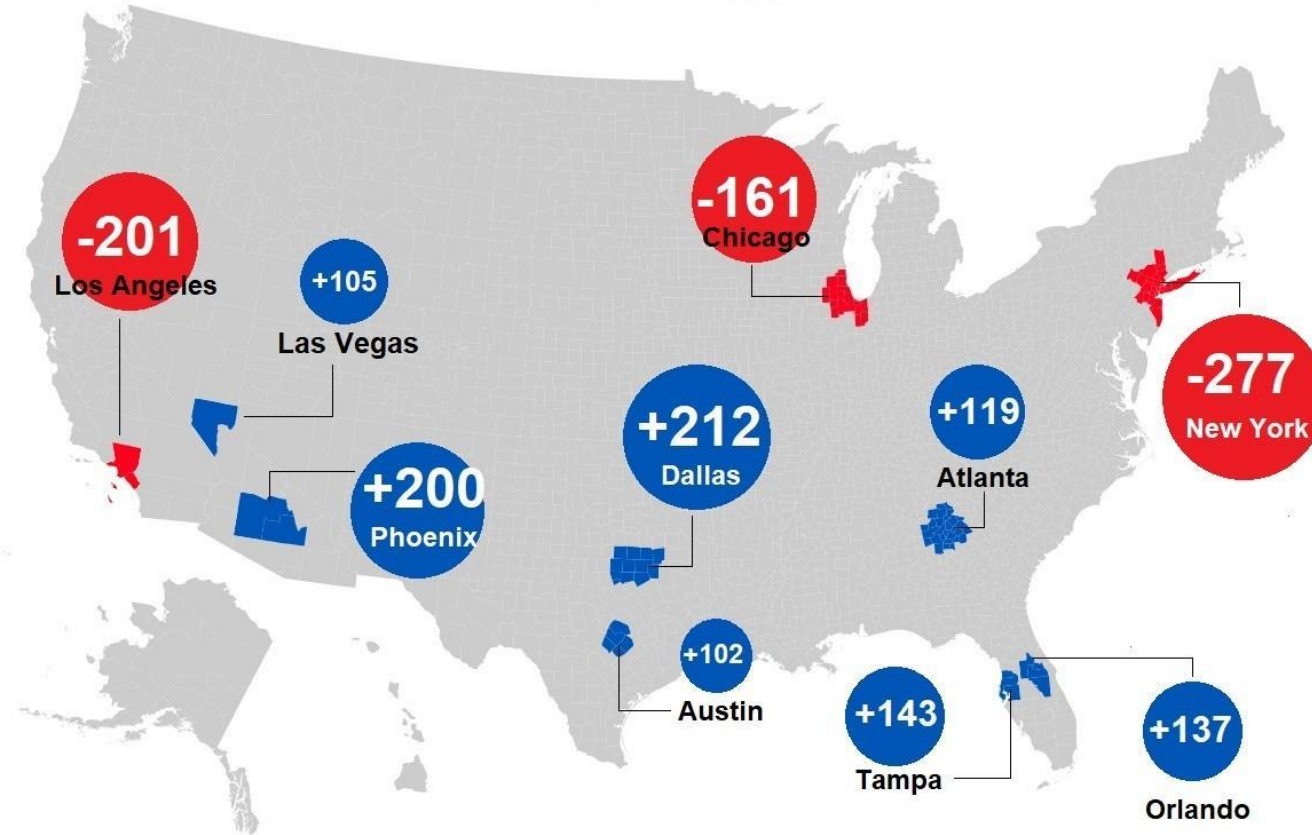


Net Migration a Key to DFW Growth

Triple Digits

Metropolitan areas with the greatest daily net exodus and gain



Source: Bloomberg analysis of U.S. Census data

Bloomberg

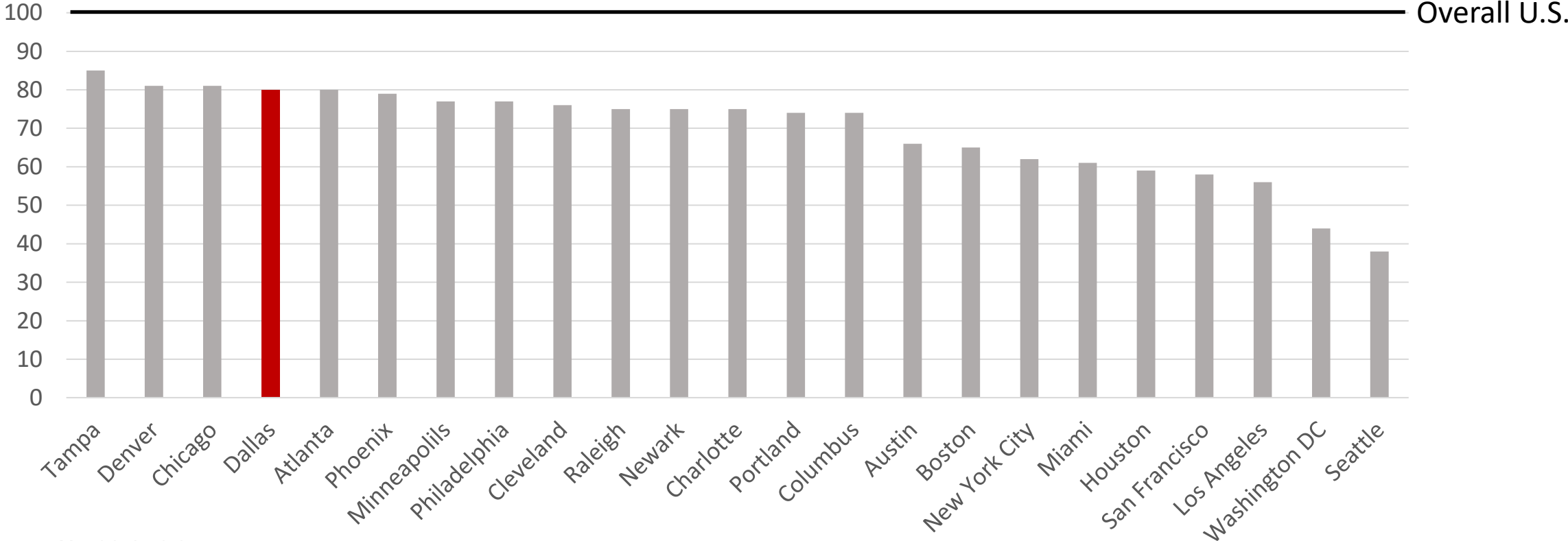
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Dallas has One of the Most Diverse Employment Base of Any Major Metro Area in the U.S.

Employment Diversity Index (100 equals the most diverse, equal to the US Overall Average)



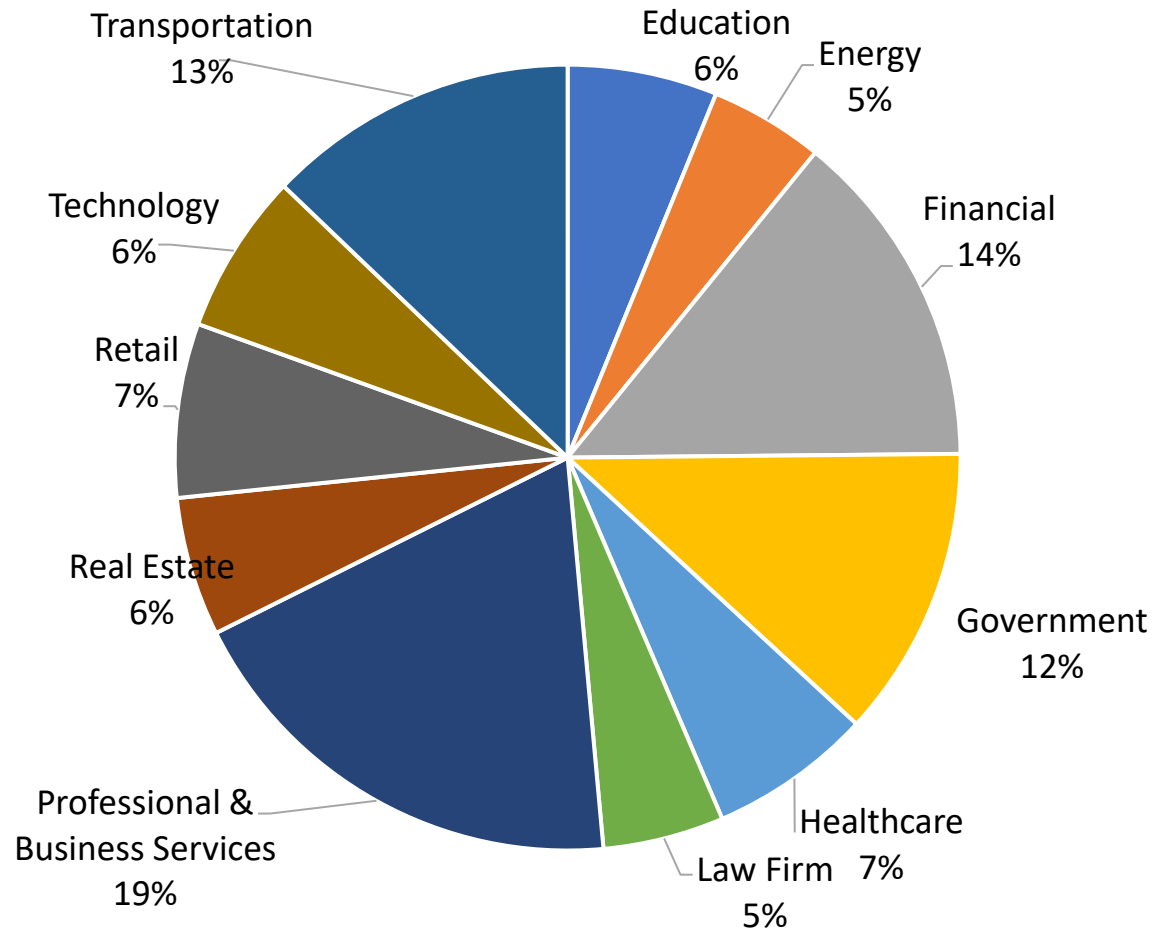
Source: Moody's Analytics

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What Industry Clusters Make up Dallas Employment Diversity?



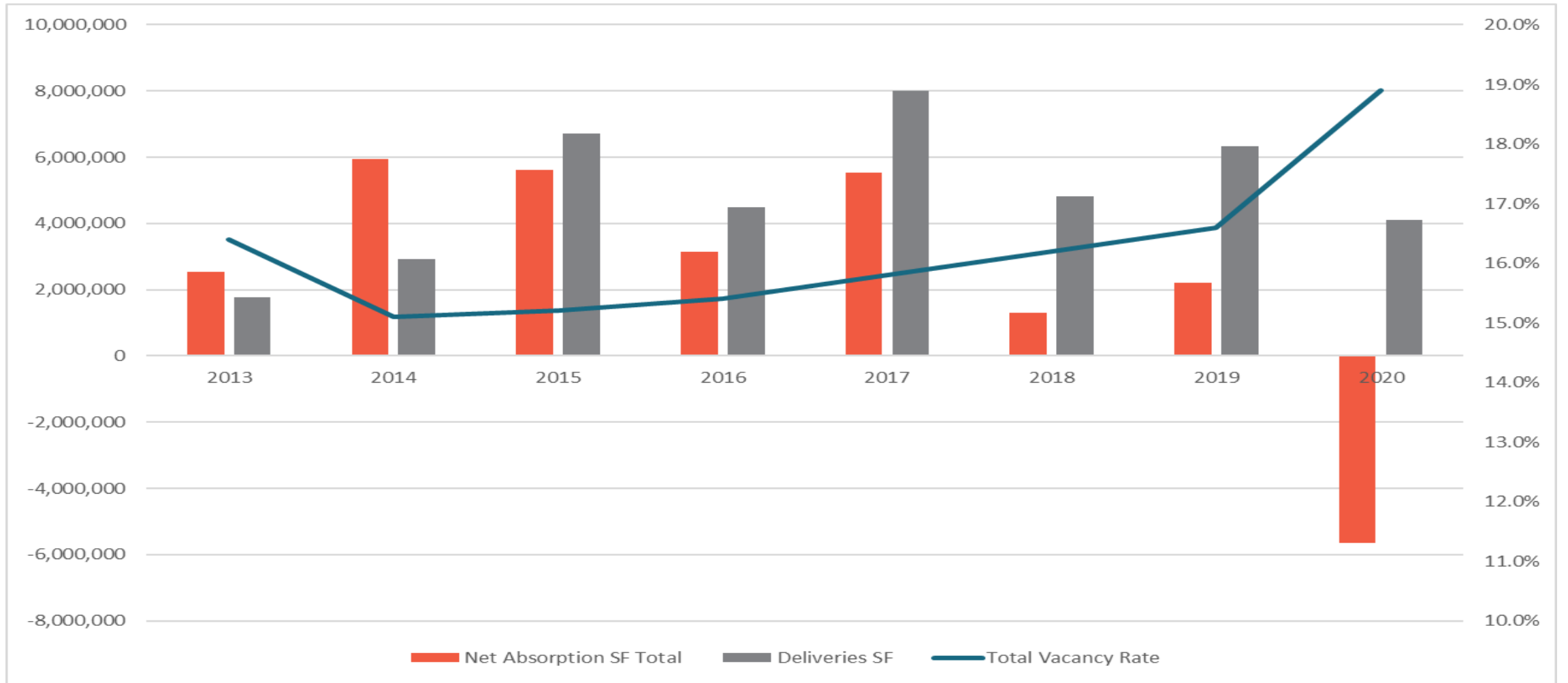
Percentage figures based on square feet occupied by office tenants in nine primary Dallas submarkets

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Dallas/Fort Worth, Fundamentals Worse than Previous Recessions

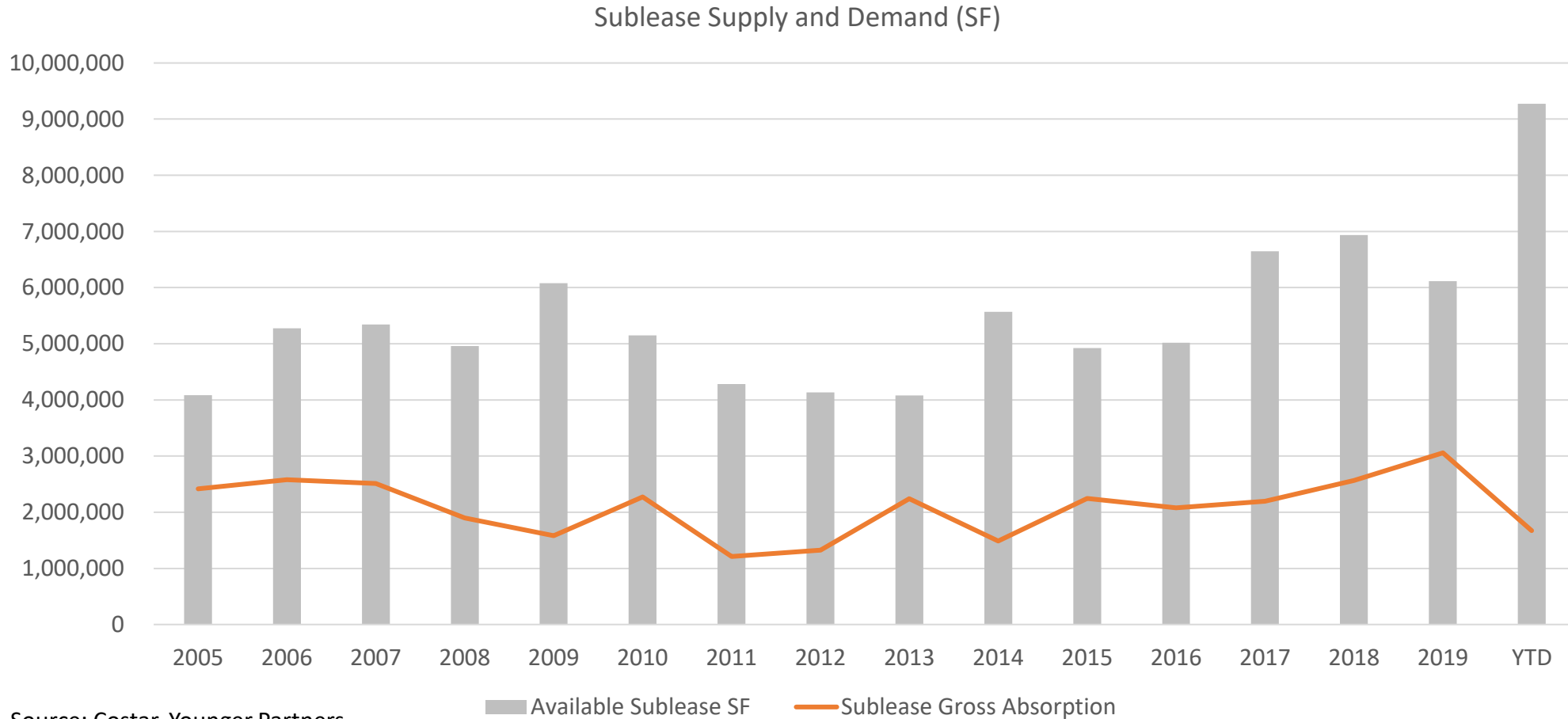


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Sublease Space is Providing Lots of Options for Tenants Active in the Market



Sublease space is likely to reach over 10 million square feet before year-end, which in comparison to gross absorption translates into a 4 to 5 years worth of supply.

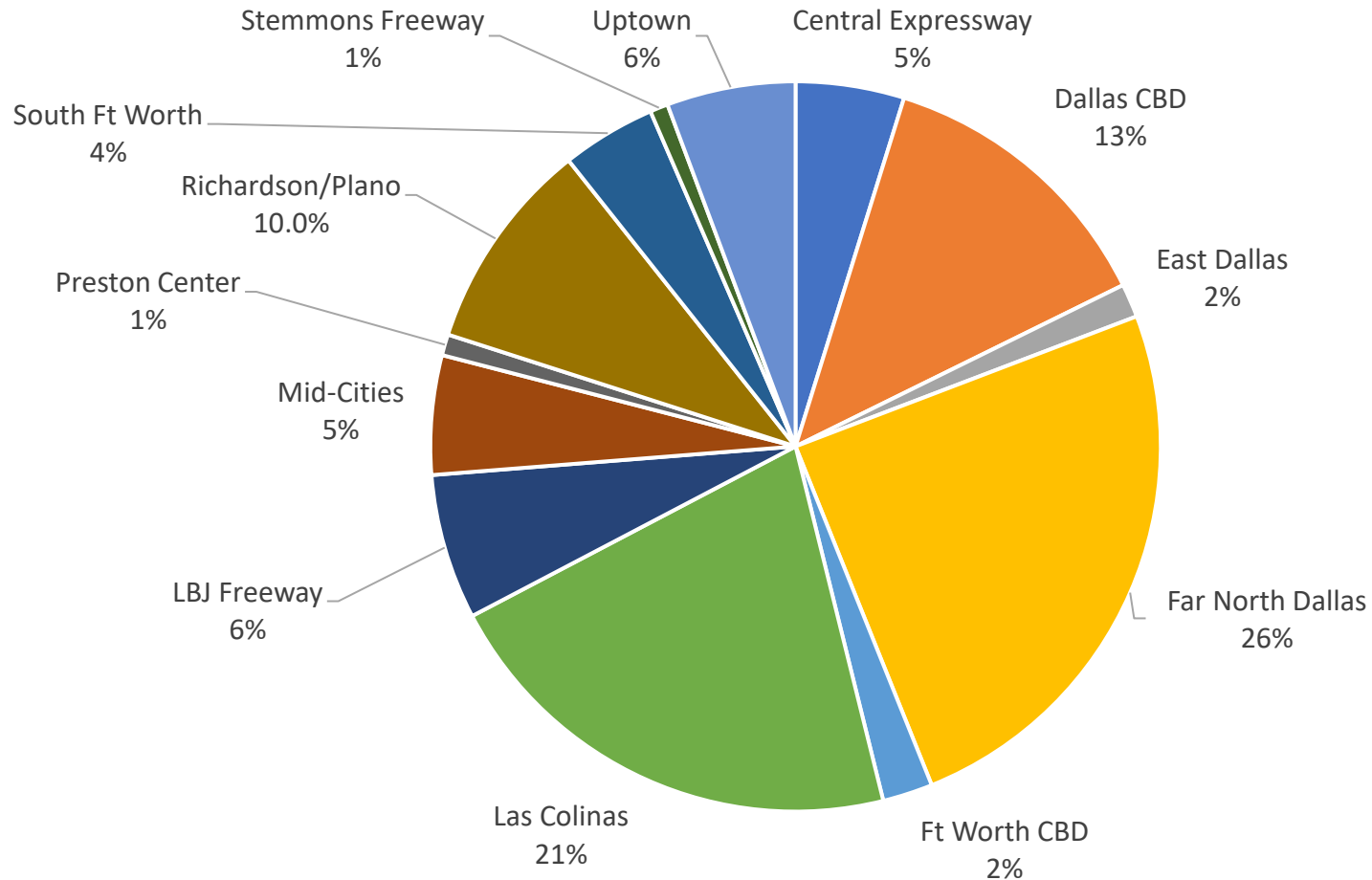
Source: Costar, Younger Partners

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Sublease Space by Submarket



Four submarkets (Far North Dallas, Las Colinas, Dallas CBD and Richardson/Plano) are the most impacted and account for over 70% of all sublease space out in the market.

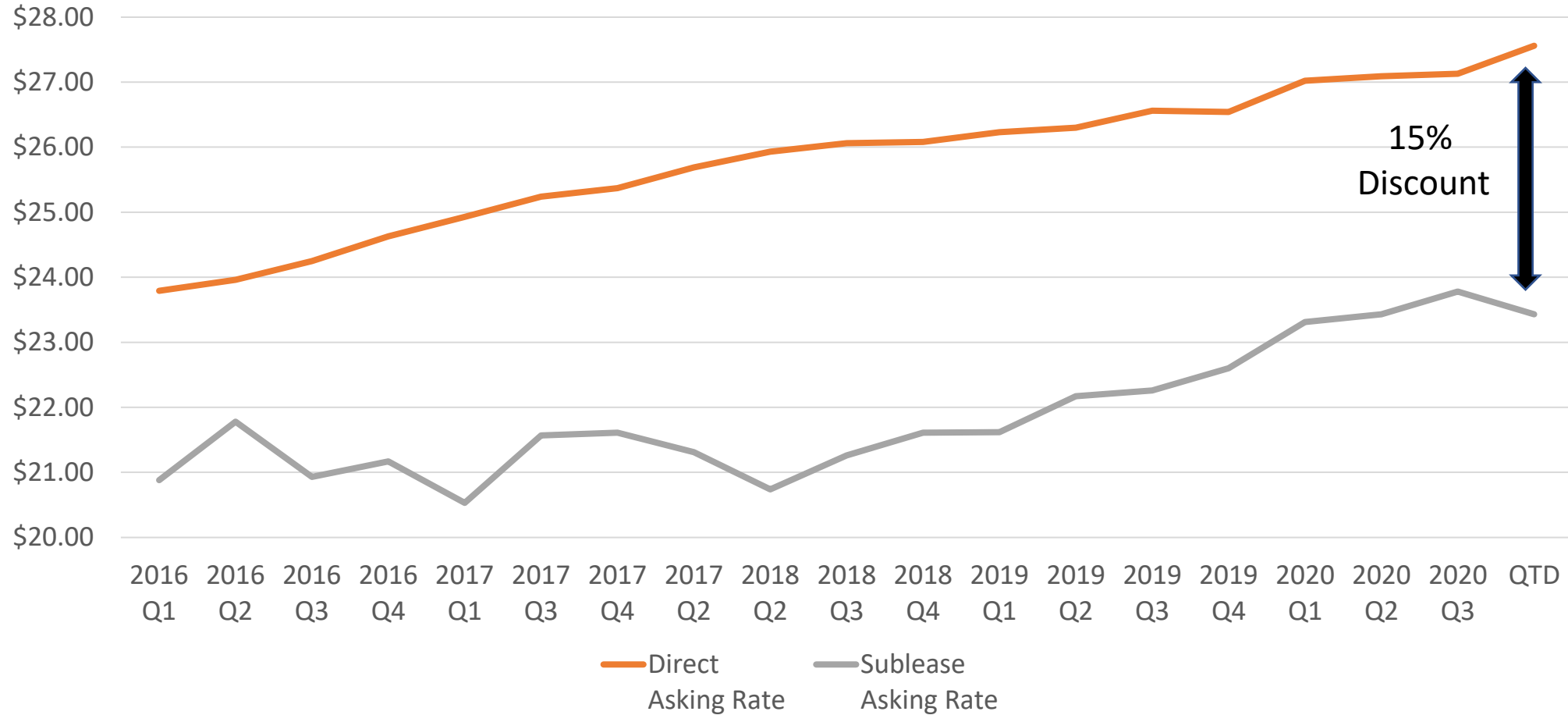
Source: Costar, Younger Partners

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Sublease Rate in Comparison to Direct Asking Rates (FSG)



Despite the surge in sublease space available, the discount rate for sublease space remains very close to the typical 15% spread between direct and sublease asking rates.

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Outside of the Flex Sector, Industrial Market Unfazed by Recession

SUBMARKETS	INVENTORY		VACANCY		NET ABSORPTION		COMPLETIONS		UC	ASKING RENT
	# of Bldgs.	Total SF	Total SF	Rate	Current Quarter	YTD	Current Quarter	YTD	At End of Current	Wtd. Avg. (NNN)
									Quarter	
DFW Airport	459	76,741,154	6,844,949	8.9%	2,647,161	3,794,008	949,038	4,049,251	2,410,599	\$6.01
East Dallas	410	42,778,804	2,998,407	7.0%	-37,557	1,748,070	20,000	1,220,000	2,234,084	\$4.06
Great SW/Arlington	840	107,927,520	6,544,401	6.1%	555,879	3,217,532	576,123	3,045,905	1,166,408	\$5.05
North Fort Worth	548	103,146,492	12,265,925	11.9%	2,155,058	6,038,480	2,728,825	9,763,052	9,288,706	\$5.43
Northeast Dallas	807	85,691,760	6,138,027	7.2%	140,640	2,631,996	464,444	1,908,936	418,549	\$6.49
Northwest Dallas	882	92,773,346	4,693,958	5.1%	914,540	1,350,087	616,582	1,499,068	2,204,298	\$6.05
NW Dallas Outlying	21	2,324,022	92,646	4.0%	-12,218	87,182	56,000	56,000	30,000	\$7.99
South Dallas	548	101,865,272	7,991,209	7.8%	2,380,106	7,588,397	1,142,387	3,022,975	4,502,575	\$4.46
South Ft Worth	962	68,166,335	4,300,575	6.3%	470,059	939,259	254,024	1,341,736	4,219,005	\$4.89
South Stemmons	1269	91,138,401	6,019,116	6.6%	-302,820	1,410,237	392,220	3,081,042	833,082	\$6.82
TOTAL	6746	772,553,106	57,889,213	7.5%	8,910,848	28,805,248	7,199,643	28,987,965	31,074,254	\$5.71
Ind	6746	772,553,106	57,889,213	7.5%	8,910,848	28,805,248	7,199,643	28,987,965	31,074,254	\$5.71
Flex	1861	89,269,301	6,181,895	6.9%	-138,764	-633,677	48,522	348,846	496,685	\$10.25
TOTAL DFW	8607	861,822,407	64,071,108	7.4%	8,772,084	28,171,571	7,248,165	29,336,811	31,570,939	\$6.80

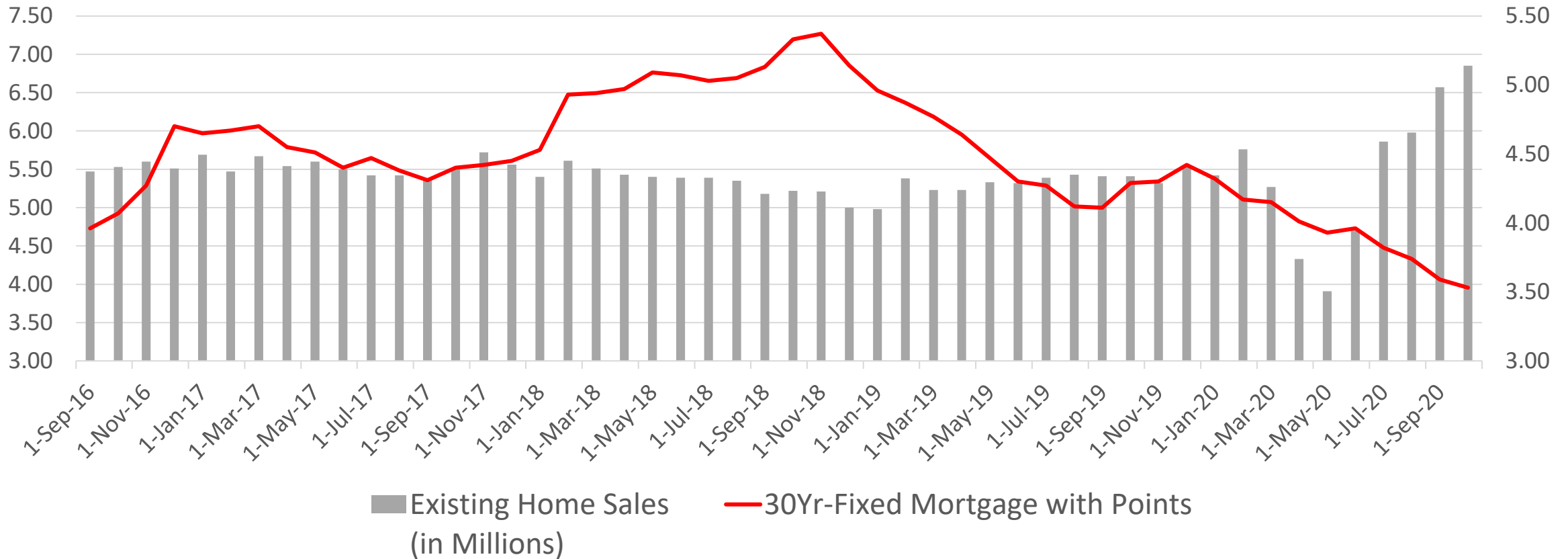
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Housing Sales/Prices Directly linked to Mortgage Rates (Cheap Debt)

30 YR Mortgage Rates and Existing Home Sales



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