

MARKETBEAT



SALT LAKE AREA INVESTMENT REPORT

2Q11

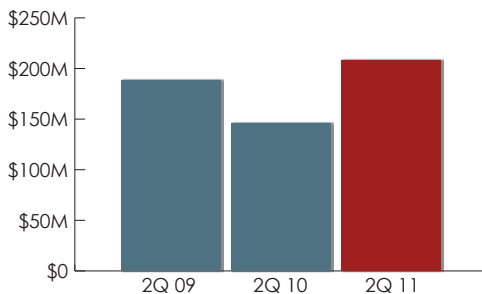
EXPANDED MARKET COVERAGE REPORT

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Overview

- Investment activity is increasing, according to second quarter year-over-year results in both dollar volume and number of transactions completed. A notable increase in investment volume is projected through the balance of 2011.
- Cap rates have stabilized for quality properties and continue to decline for multi-family projects. Cap rates continue to rise on second tier investments.
- Activity is partially spurred by the increasing flow of debt capital to the marketplace through a variety of lending sources. The emphasis of lenders remains on quality projects and sponsors.
- Individual and smaller investment partnerships, mostly local, make up the vast majority of active buyers completing deals in Utah with 75% of the closed transactions being cash in 2011.
- Buyer profile:
 - In-state / out-of-state: currently 75% / 25%, 2010 mid-year 87% / 13%
 - 1031 exchange: currently 33%, 2010 mid-year 40-50%
 - Cash Buyers: currently 75%, 2010 mid-year 50-60%

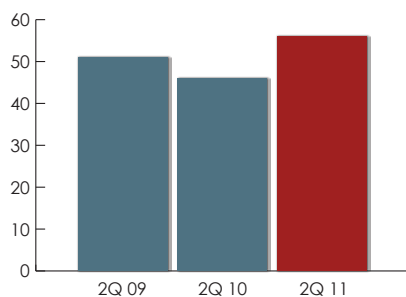
Sales Volume - 2Q 11



Total Commercial Investment Sales Volume

Category	2Q 09	2Q 10	2Q 11
Apartment	\$87,402,280.00	\$22,905,500.00	\$55,878,000.00
Industrial	\$46,598,837.00	\$72,926,738.00	\$59,539,000.00
Office	\$19,284,453.00	\$12,905,275.00	\$26,445,009.00
Retail	\$22,370,295.00	\$35,989,500.00	\$56,353,372.50
Other	\$12,360,000.00	\$700,000.00	\$9,582,000.00
Total	\$188,015,865.00	\$145,427,013.00	\$207,797,381.50

Transaction Volume - 2Q 11



Total Investment Transactions

Category	2Q 09	2Q 10	2Q 11
Apartment	19	12	13
Industrial	8	13	10
Office	6	9	9
Retail	13	11	21
Other*	5	1	3
Average	51	46	56

Notable Second Quarter Transactions

Property	Location	Size
Riviera BYU Student Housing	Provo, UT	137 Units
LNR Metro Logistics	Salt Lake City, UT	426,866 SF
Thanksgiving Point Building II	Lehi, UT	61,728 SF
Gateway Crossing	Bountiful, UT	159,706 SF
Chase Suites Hotel/Apartment Conversion	Salt Lake City, UT	128 Units

Investment Overview - 2Q 11

Total Sales Volume	\$207,797,381.50
Total SF and Units	1,669,970 SF and 756 units
Total Number of Transactions	56



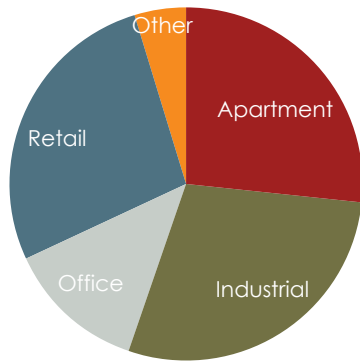
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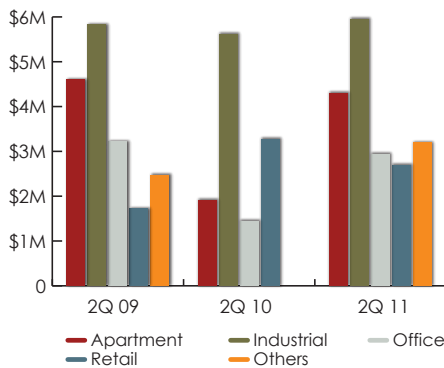
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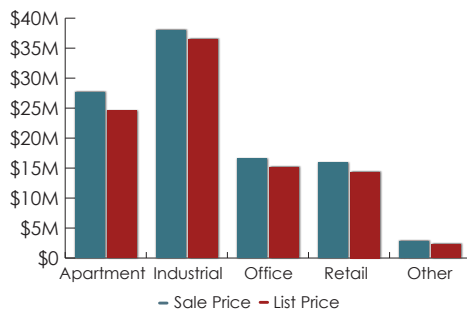
Sales Volume - 2Q 11



Transaction Volume - 2Q 11



List Price vs. Sale Price



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Total Investment Sales SF or Units

Category	2Q 09	2Q 10	2Q 11
Apartment	1,044 units	360 units	756 units
Industrial	1,024,234.00	1,627,344.00	1,033,926.00
Office	149,409.00	177,210.00	298,733.00
Retail	148,637.00	247,884.00	337,311.00
Other	1483/0/0	68/0/0	0/246/128
Total	1,322,280.00	2,052,438.00	1,669,970.00

Average PSF / Unit

Category	2Q 09	2Q 10	2Q 11
Apartment	\$83,718.66	\$63,626.39	\$80,632.03
Industrial	\$45.50	\$44.81	\$57.59
Office	\$129.07	\$72.82	\$88.52
Retail	\$150.50	\$145.19	\$167.07

Average Sales Size

Category	2Q 09	2Q 10	2Q 11
Apartment	\$4,600,120	\$1,908,792	\$4,298,308
Industrial	\$5,824,855	\$5,609,749	\$5,953,900
Office	\$3,214,076	\$1,433,919	\$2,938,334
Retail	\$1,720,792	\$3,271,773	\$2,683,494
Other	\$2,472,000	\$-	\$3,194,000

Comparison of Cap Rates to Prior Years

Category	2Q 09	2Q 10	2Q 11
Apartment	7.37%	8.39%	7.58%
Industrial	8.30%	8.20%	8.56%
Office	8.01%	8.21%	8.97%
Retail	9.33%	8.17%	8.28%
Other	8.10%	8.30%	11.42%

List Price vs. Sale Price

Category	List Price Total	Sale Price Total	% Difference
Apartment	\$27,678,900.00	\$24,528,000.00	88.62%
Industrial	\$37,919,000.00	\$36,514,000.00	96.29%
Office	\$16,534,035.00	\$15,153,000.00	91.65%
Retail	\$15,871,601.00	\$14,352,372.50	90.43%
Other	\$2,800,000.00	\$2,275,000.00	81.25%