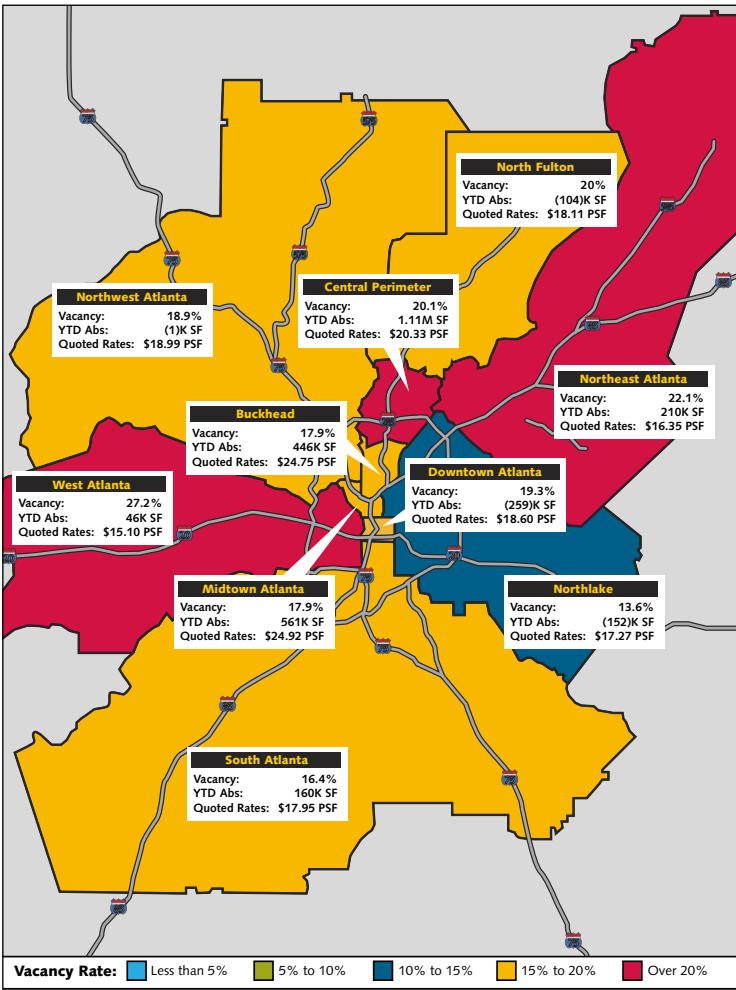


4Q'12 ATLANTA OFFICE MARKET



LEASING HIGHLIGHTS

Select Markets by Vacancy Rate (YTD)

MARKET OVERVIEW

The Atlanta Office market ended the fourth quarter 2012 with a vacancy rate of 18.9%. This rate represents a slight increase from the previous quarter rate of 18.8%. This increase occurred in a quarter where Atlanta saw 42,145 SF in net absorption (YTD net absorption is 2,018,732 SF) and 561,337 SF (11 buildings), deliver to the market. Quoted rental rates ended the quarter at \$19.51 PSF, up from the last quarter rate of \$19.18 PSF. Currently there is over 1.7 million SF of office product under construction in Metro Atlanta.

ECONOMIC OVERVIEW

Despite the uncertainty leading up to the election and the fiscal cliff looming, the U.S. economy picked up slightly at the end of the year. Holiday shopping, strong auto sales and a recovering housing market helped boost the economy from the middle of November through early January. Job growth remains modest but steady. Economists are predicting continued growth for 2013.

UNEMPLOYMENT RATE DEC 2012

National	7.7%
Georgia	8.5%
Atlanta MSA	8.4%

The healthcare, education, telecommunications/call center, entertainment and supply chain/distribution industries continue to grow for Atlanta, as our business climate, location to major transportation hubs, technology, quality of life and highly educated talent pool remain favorable for corporate relocations.

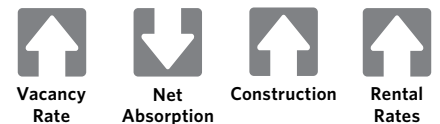


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MARKET INDICATORS



VACANCY

The overall vacancy rate at the end of the fourth quarter 2012 is 18.9%, up slightly from the previous quarter when it was 18.8%. The current rate represents over 39 million square feet of vacant office space throughout the Metro Atlanta Office market, a 4.38% decrease from this time last year. The current amount of vacant sublease space is 1.6 million square feet.

NET ABSORPTION

At the close of the quarter, an overall net absorption of 42,145 SF was reported, a significant decrease over the previous quarter and a decrease from this time last year. The recorded net absorption for the current quarter by class follows: Class A: 200,740 SF, Class B: (134,447) SF and Class C: (24,148) SF.

Leasing activity was over 2 million square feet for the quarter, down from the previous quarter.

YTD NET ABSORPTIONS BY BUILDING TYPE

» CLASS A	1,418,433 SF
» CLASS B	544,174 SF
» CLASS C	56,125 SF
» YTD	2,018,732 SF

CONSTRUCTION ACTIVITY

At the close of the quarter, the Atlanta Office market had 11 buildings, totaling 561,337 SF, in new construction deliveries. This compares to 31,050 SF in deliveries last quarter and 22,793 SF this time last year.

Currently there is 1,731,548 SF of new office projects under construction (12 buildings), a slight decrease from this same time last year.

The largest projects currently underway are Ponce City Market, a 450,000 SF building located in Midtown, and Primerica's new international headquarters, a 344,476 SF build-to-suit located in Duluth.

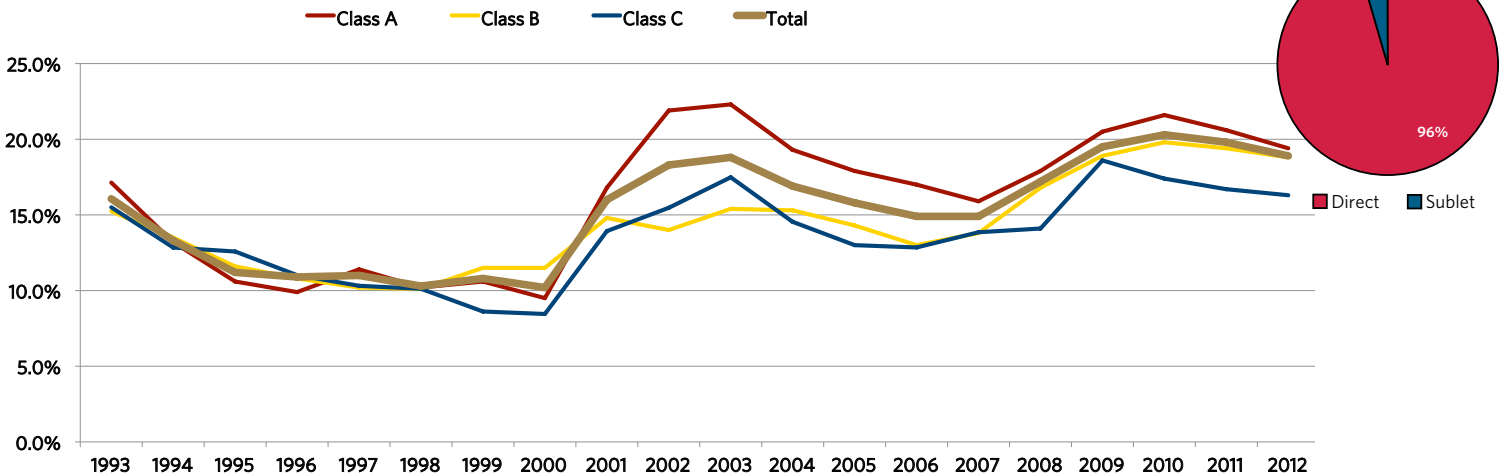
QUOTED RENTAL RATES

The current overall quoted Atlanta Office rental rate of \$19.51 PSF represented a \$0.33 PSF increase in rental rates from the end of the previous quarter, when rents were \$19.18 PSF.

The Class A rental rates are reported at \$22.19 PSF with the highest rate reported in the Midtown submarket at \$27.06 with Buckhead rates closely following at \$26.55 PSF.

Class B sector ended the quarter with quoted rental rates of \$16.42 PSF, which is \$0.33 higher than last quarter and slightly lower than this time last year.

VACANCY RATES BY CLASS



MARKET HIGHLIGHTS

Significant Fourth Quarter 2012 Lease Transactions (New & Renewal)

Building	Submarket	Square Feet	Tenant Name
3438 Peachtree Road	Buckhead	222,730	William Carter Company
11700 Great Oaks Way	North Fulton	73,048	MarketSource
2120 Barrett Park Drive	Kennesaw	48,500	Ryla, Inc
3414 Peachtree Road	Buckhead	43,537	Baker, Donelson, Beaman
1375 Peachtree Street	Midtown	42,719	N/A

Significant Fourth Quarter 2012 Construction Deliveries

Building	Submarket	Square Feet	Class
Cox Headquarters - Bldg 2	Central Perimeter	300,000	A
Home Depot Call Center	Northwest Atlanta	80,000	A
North Fulton Medical Plaza	North Fulton	52,000	A

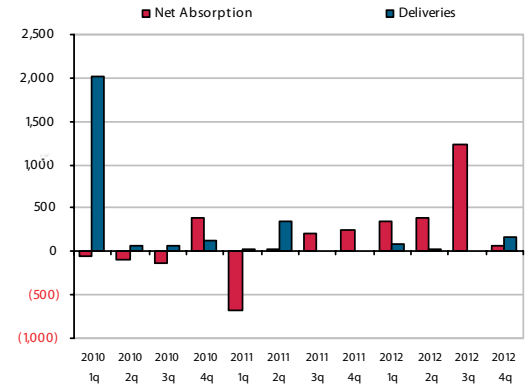
Significant Fourth Quarter 2012 Properties Under Construction

Building	Submarket	Square Feet	Delivery
Ponce City Market	Midtown Atlanta	450,000	1Q 2014
Primerica Building	Northeast Atlanta	344,476	2Q 2013
4770 Buford Highway	Northlake	290,000	4Q 2013
Porsche Cars NA Facility	South Atlanta	200,000	2Q2014
Forsyth Medical Complex	North Fulton	102,000	4Q 2013

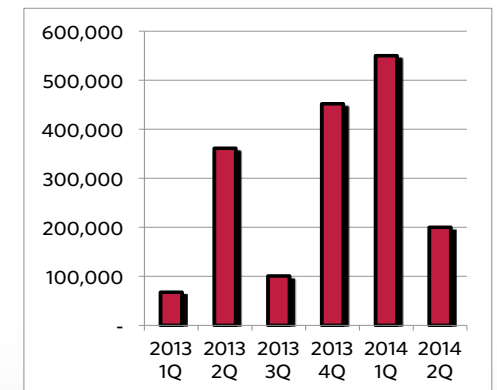
All Construction Activity (Markets Ranked by Under Construction Square Footage)

Market	Under Construction Inventory				Available SF
	# Bldgs	Total RBA	Preleased SF	Preleased %	
Midtown Atlanta	1	450,000	0	0.0%	450,000
Northeast Atlanta	2	351,610	351,610	100.0%	0
Northlake	2	302,971	302,971	100.0%	0
South Atlanta	2	260,000	240,200	92.4%	19,800
Buckhead	2	147,500	147,500	100.0%	0
Northwest Atlanta	2	117,467	117,467	100.0%	0
North Fulton	1	102,000	0	0.0%	102,000
Central Perimeter	0	0	0	0.0%	0
Downtown Atlanta	0	0	0	0.0%	0
West Atlanta	0	0	0	0.0%	0
Totals	12	1,731,548	1,159,748	67.0%	571,800

ABSORPTION & DELIVERIES

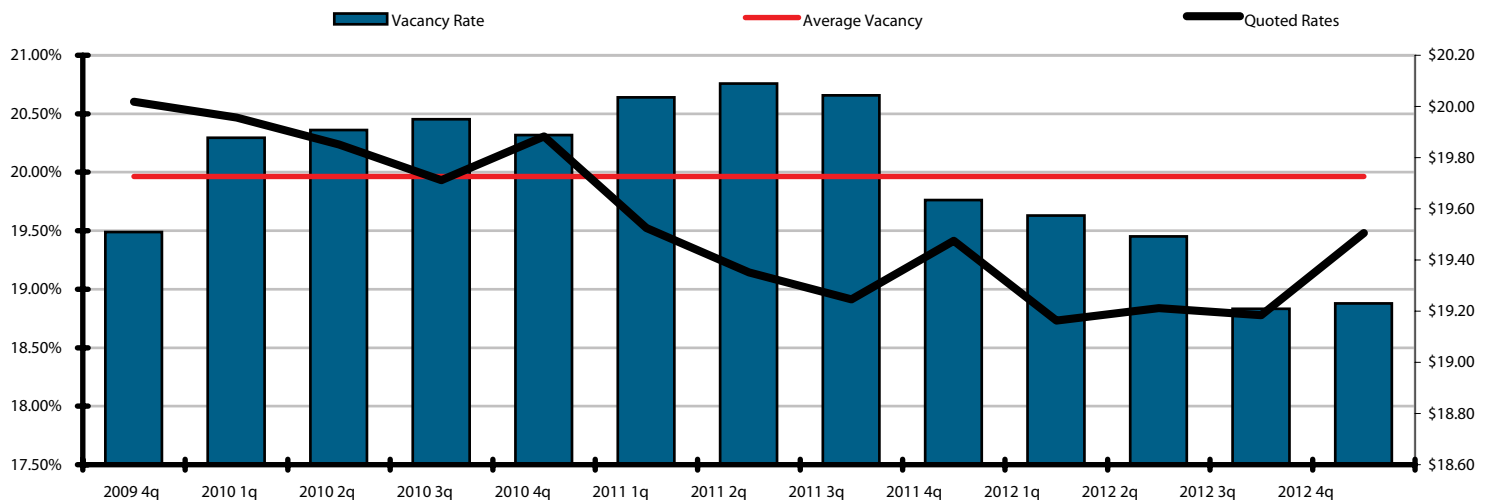


FUTURE DELIVERIES



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OVERALL VACANCY & QUOTED RATES



TOTAL ATLANTA OFFICE MARKET STATISTICS

FOURTH QUARTER 2012

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	110	19,624,711	3,315,543	193,222	3,508,765	17.9%	445,790	0	147,500	\$24.75
Central Perimeter	268	28,638,264	5,460,788	305,960	5,766,748	20.1%	1,111,256	16,000	0	\$20.33
Downtown Atlanta	159	26,117,710	4,719,520	320,052	5,039,572	19.3%	(259,058)	0	0	\$18.60
Midtown Atlanta	138	20,593,797	3,476,560	207,913	3,684,473	17.9%	561,433	0	450,000	\$24.92
North Fulton	339	24,215,566	4,649,468	190,186	4,839,654	20.0%	(103,632)	52,000	102,000	\$18.11
Northeast Atlanta	467	21,752,522	4,708,349	105,082	4,813,431	22.1%	209,982	87,500	344,476	\$16.35
Northlake	389	19,059,465	2,530,108	67,805	2,597,913	13.6%	(151,940)	0	290,000	\$17.27
Northwest Atlanta	475	33,347,877	6,055,169	233,287	6,288,456	18.9%	(1,361)	80,000	117,467	\$18.99
South Atlanta	308	12,378,493	1,962,269	73,465	2,035,734	16.4%	159,784	41,145	60,000	\$17.95
West Atlanta	66	3,196,415	867,992	0	867,992	27.2%	46,478	0	0	\$15.10
TOTALS	2,719	208,924,820	37,745,766	1,696,972	39,442,738	18.9%	2,018,732	276,645	1,511,443	\$19.51

CLASS "A" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	45	14,796,418	2,496,293	175,595	2,671,888	18.1%	426,550	0	147,500	\$26.55
Central Perimeter	76	19,401,502	3,004,625	235,798	3,240,423	16.7%	977,083	0	0	\$22.25
Downtown Atlanta	26	13,720,911	3,047,210	302,842	3,350,052	24.4%	(293,235)	0	0	\$19.26
Midtown Atlanta	34	14,635,435	2,598,152	157,806	2,755,958	18.8%	474,457	0	450,000	\$27.06
North Fulton	102	14,283,832	2,856,752	177,081	3,033,833	21.2%	(230,378)	52,000	102,000	\$19.94
Northeast Atlanta	64	6,609,647	1,462,694	38,496	1,501,190	22.7%	65,189	67,500	344,476	\$19.84
Northlake	22	2,971,463	442,127	22,546	464,673	15.6%	(67,039)	0	290,000	\$19.94
Northwest Atlanta	78	15,898,623	2,506,422	185,605	2,692,027	16.9%	39,150	80,000	100,817	\$21.48
South Atlanta	21	1,445,906	395,229	22,427	417,656	28.9%	26,656	0	60,000	\$21.71
West Atlanta	1	71,500	0	0	0	0.0%	0	0	0	\$0.00
TOTALS	469	103,835,237	18,809,504	1,318,196	20,127,700	19.4%	1,418,433	199,500	1,494,793	\$22.19

CLASS "B" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	42	4,263,740	770,886	17,427	788,313	18.5%	15,248	0	0	\$18.43
Central Perimeter	141	8,060,411	2,094,717	70,162	2,164,879	26.9%	147,506	16,000	0	\$17.93
Downtown Atlanta	77	9,311,682	1,203,003	16,310	1,219,313	13.1%	(11,608)	0	0	\$17.63
Midtown Atlanta	83	5,336,661	835,729	38,683	874,412	16.4%	79,988	0	0	\$17.56
North Fulton	211	9,209,055	1,728,931	13,105	1,742,036	18.9%	127,905	0	0	\$14.73
Northeast Atlanta	345	13,428,991	3,112,763	61,126	3,173,889	23.6%	115,233	20,000	0	\$14.61
Northlake	273	13,093,710	1,815,375	45,259	1,860,634	14.2%	(96,372)	0	0	\$17.35
Northwest Atlanta	328	15,190,512	3,334,916	47,682	3,382,598	22.3%	(55,759)	0	16,650	\$16.69
South Atlanta	209	8,709,548	1,126,242	51,038	1,177,280	13.5%	174,855	41,145	0	\$17.30
West Atlanta	43	1,525,330	159,602	0	159,602	10.5%	47,178	0	0	\$14.76
TOTALS	1,752	88,129,640	16,182,164	360,792	16,542,956	18.8%	544,174	77,145	16,650	\$16.42

CLASS "C" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	23	564,553	48,364	200	48,564	8.6%	3,992	0	0	\$17.52
Central Perimeter	51	1,176,351	361,446	0	361,446	30.7%	(13,333)	0	0	\$12.98
Downtown Atlanta	56	3,085,117	469,307	900	470,207	15.2%	45,785	0	0	\$15.46
Midtown Atlanta	21	621,701	42,679	11,424	54,103	8.7%	6,988	0	0	\$16.52
North Fulton	26	722,679	63,785	0	63,785	8.8%	(1,159)	0	0	\$12.11
Northeast Atlanta	58	1,713,884	132,892	5,460	138,352	8.1%	29,560	0	0	\$15.91
Northlake	94	2,994,292	272,606	0	272,606	9.1%	11,471	0	0	\$13.17
Northwest Atlanta	69	2,258,742	213,831	0	213,831	9.5%	15,248	0	0	\$14.98
South Atlanta	78	2,223,039	440,798	0	440,798	19.8%	(41,727)	0	0	\$14.71
West Atlanta	22	1,599,585	708,390	0	708,390	44.3%	(700)	0	0	\$16.08
TOTALS	498	16,959,943	2,754,098	17,984	2,772,082	16.3%	56,125	0	0	\$14.57

Source: CoStar Group, Inc.



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