

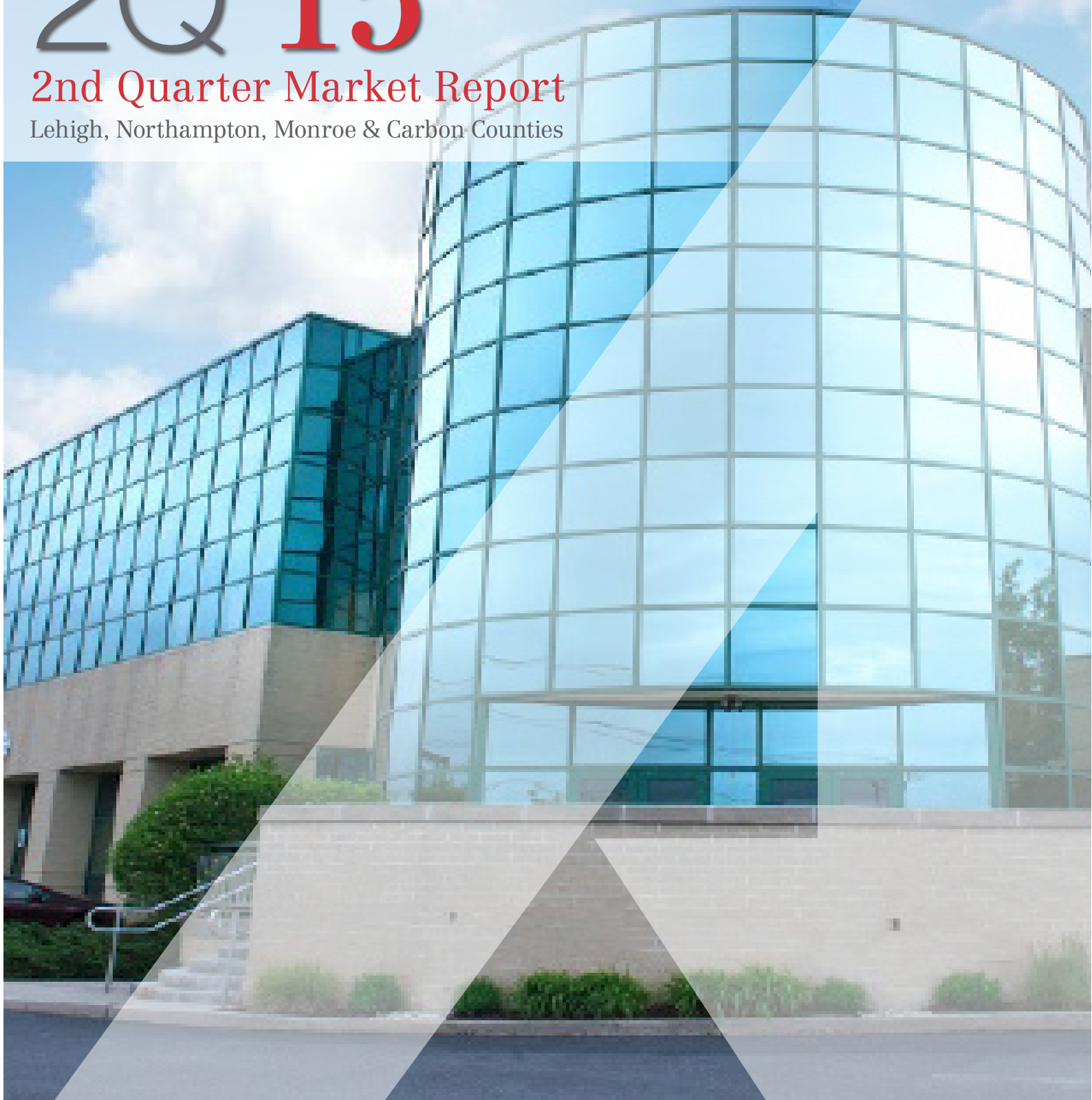
The logo for NAI Summit, featuring the letters 'NAI' in a bold, black, sans-serif font, with a red diagonal line striking through the 'A'. To the right of 'NAI', the word 'Summit' is written in a smaller, grey, sans-serif font.

NAISummit

2Q'15

2nd Quarter Market Report

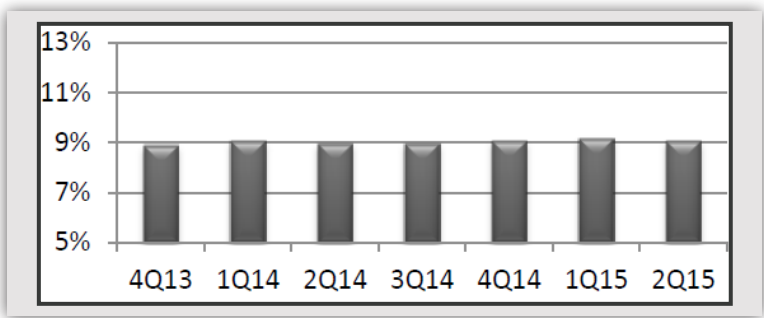
Lehigh, Northampton, Monroe & Carbon Counties



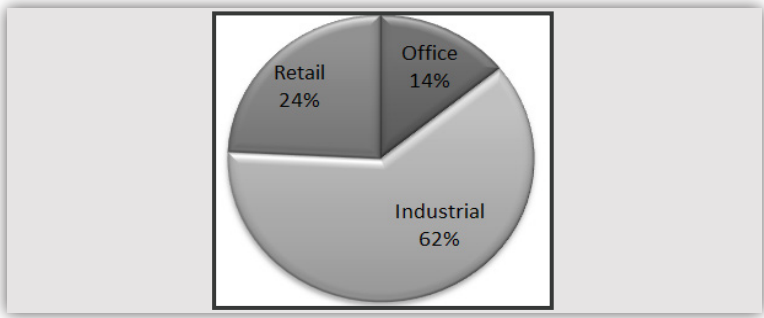
Overall Trends



Historical Overall Vacancy



Overall Market Inventory (SF)



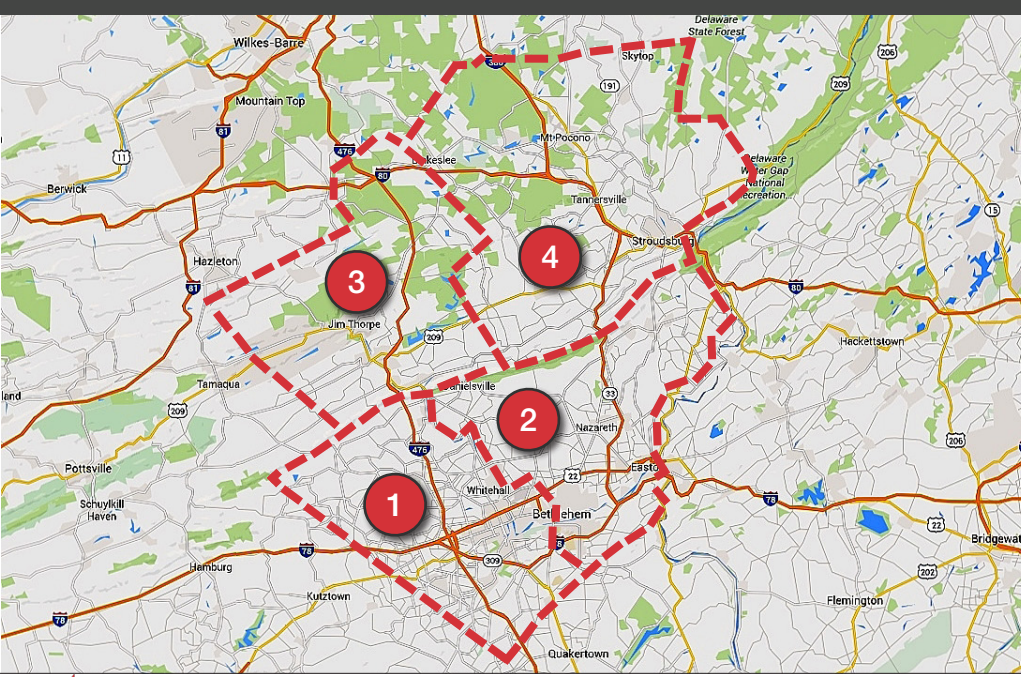
OVERVIEW:

The Lehigh Valley is located in eastern Pennsylvania. The third largest in the state, this region is well situated, just 95 miles to New York City and 53 miles north of Philadelphia. The Lehigh Valley offers all of the amenities and more than its large urban neighbors.

Several factors make the Lehigh Valley an excellent location for business and industry. What fuels the growth in this region is experience in the area's 11 institutions of higher learning and its nationally recognized health care facilities.

Due to its excellent highway infrastructure, rail service and the presence of an International airport, the Lehigh Valley market remains an attractive one to importers, exporters, manufacturers and high-tech companies. Developers are enticed to this area because of its abundant vacant land and favorable taxes.

An enterprising and diversified economy has led to higher income jobs, a growing and thriving population and tremendous commercial and industrial growth in this region. Some of the world's top companies call this area their home; Air Products and Chemicals, Inc; B. Braun Medical, Inc; Crayola and Olympus America; just to name a few.



LEHIGH VALLEY COUNTIES

- 1** Lehigh County
- 2** Northampton County
- 3** Carbon County
- 4** Monroe County

Quarterly Market Report Lehigh Valley

Quarter 2 2015

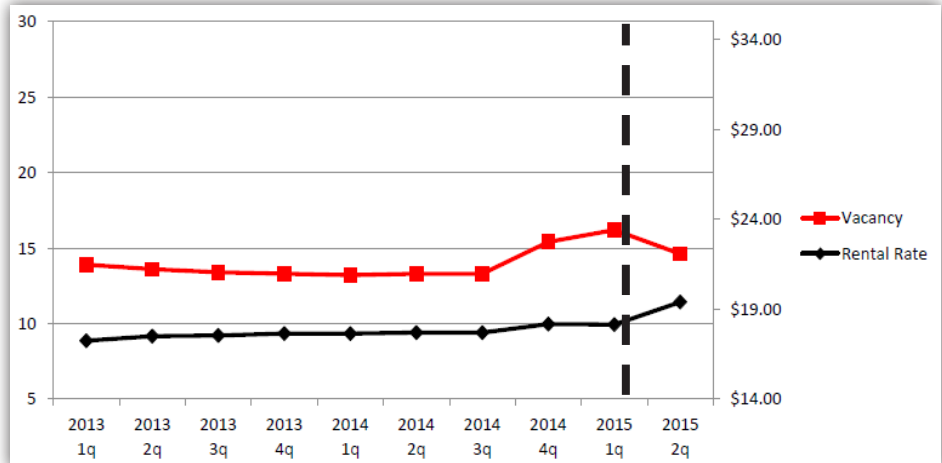
CLASS A & B OFFICE

Availability Report:

EXISTING RBA: 26,869,704 sq. ft.
 LEASED: 22,946,727 sq. ft.
 LEASED PERCENTAGE: 85.4%
 AVAILABLE: 3,922,977 sq. ft.
 AVAILABLE PERCENTAGE: 14.6%

Rental Rate Report:

DIRECT GROSS RENT
 OFFICE RANGE: \$8.15-\$28.18/YR
 OFFICE AVERAGE: \$19.40/YR



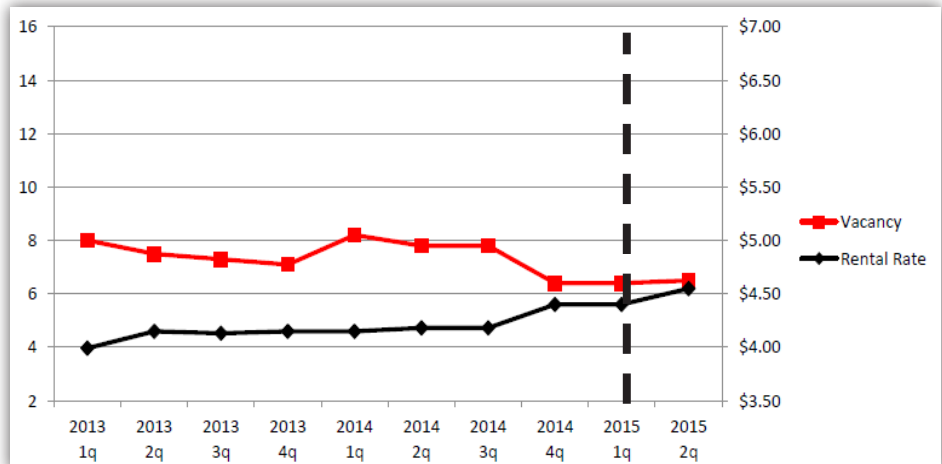
INDUSTRIAL

Availability Report:

EXISTING RBA: 113,264,242 sq. ft.
 LEASED: 105,902,066 sq. ft.
 LEASED PERCENTAGE: 93.5%
 AVAILABLE: 7,362,176 sq. ft.
 AVAILABLE PERCENTAGE: 6.5%

Rental Rate Report:

DIRECT NET RENT
 INDUSTRIAL RANGE: \$2.50-\$10.30/YR
 INDUSTRIAL AVERAGE: \$4.55/YR



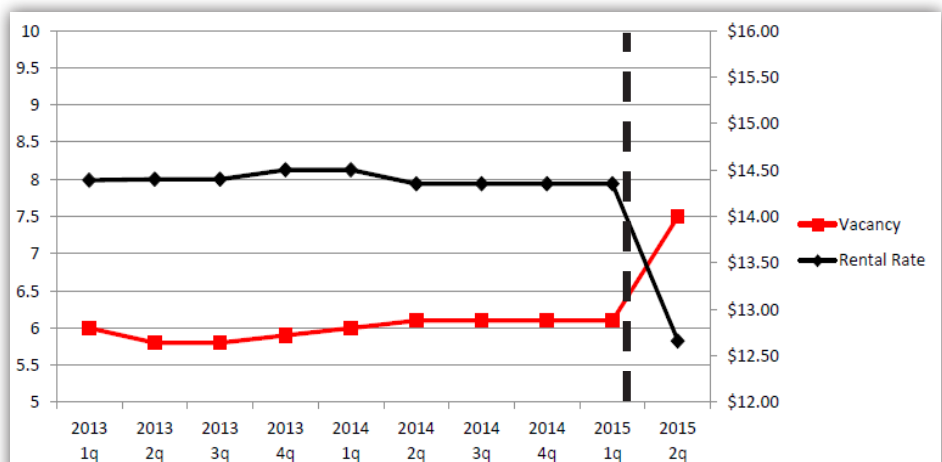
RETAIL

Availability Report:

EXISTING RBA: 45,280,230 sq. ft.
 LEASED: 41,884,213 sq. ft.
 LEASED PERCENTAGE: 92.5%
 AVAILABLE: 3,396,017 sq. ft.
 AVAILABLE PERCENTAGE: 7.5%

Rental Rate Report:

DIRECT NET RENT
 RETAIL RANGE: \$6.15-\$26.43/YR
 RETAIL AVERAGE: \$12.66/YR



**ADDITIONAL AREAS INCLUDED

Recent Transactions

Sale

3320 Hamilton Boulevard
Submarket: Allentown
Sale Date: 8.2015
Square Feet: 16,209
Property Type: Retail
Agent: John Crampsie, SIOR

7744 Adrienne Drive
Submarket: Breinigsville
Sale Date: 5.2015
Square Feet: 20,660
Property Type: Retail - Auto
Agent: Jay Haines

Paragon Center, 1611 Pond Road
Submarket: Allentown
Sale Date: 7.2015
Square Feet: 40,000
Property Type: Office Condos
Agent: Matt Dorman

625 Linden Street
Submarket: Bethlehem
Sale Date: 3.2015
Square Feet: 7,354
Property Type: Office
Agent: John Crampsie, SIOR

Lease

200 Cascade Drive (2)
Submarket: Allentown
Tenant: WEL + Transport Systems
Square Feet: 225,000+ sf
Bldg. Type: Warehouse
Agent: Mike Adams

2900 William Penn Highway
Submarket: Easton
Tenant: United Pipe & Steel Corp
Square Feet: 115,000
Bldg. Type: Warehouse
Agent: Mike Adams

2600 Milford Square Pike
Submarket: Milford Township
Tenant: Schweitzer Logistics
Square Feet: 41,480
Bldg. Type: Warehouse
Agent: Mike Adams

90 S Commerce Way
Submarket: Bethlehem
Tenant: Travel Impressions
Square Feet: 60,000
Bldg. Type: Office
Agent: Matt Dorman

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Absorption (Net) The change in occupied space in a given time period.

Available Square Footage Net rentable area considered available for lease; excludes sublease space.

Average Asking Rental Rate Rental rate as quoted from each building's owner/management company, For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

Building Class Class A Product is office Space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office Space built after 1980, fair to good finishes & wide range of tenants. Space currently available for lease directly with the landlord or building owner.

Market Size Includes all existing buildings (office, office condo, office loft, office medical, all classes and all sizes, both multi-tenant and single-tenant, excluding owner-occupied buildings) within each market.

Overall Vacancy All unoccupied lease space, either direct or sublease.

SF/PSF Square foot/per square foot, used as a unit of measurement.

Sublease Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.

Sublease Space Total square footage being marketed for lease by the tenant. Sublease space is not considered in the overall occupancy or absorption numbers - only direct leases are included.

Sublease Vacancy Space currently available in the market for sublease with an existing tenant within a building acting as the landlord.