MarketView
Tampa Bay Office

Fourth Quarter 2011

Quick Stats

	Current	Change from last Yr.	Change from last Qtr.
Total Vacancy	19.9%	↓	↓
Direct Lease Rate	$19.99	↓	↓
Qrt Net Absorption	480 K	↑	↑
Under Construction	36 K	↓	↓
Completions	0 K	↔	↔

*The arrows indicate a trend and do not represent a positive or negative value for the underlying statistics (e.g. Net Absorption could be negative, but still represent a positive trend over the time period).

Hot Topics

- A proposed $300 million project in downtown Tampa won preliminary rezoning approval. If completed, the development would include a 450,000-SF office tower, a 350-room hotel and 1,200 parking spaces.
- The Tampa Tribune lays off 16% of their workforce while St. Petersburg Times prepares to change its name to the Tampa Bay Times.
- OneTouch Direct, Chase Bank and Humana are among the companies in the Tampa Bay MSA announcing fourth quarter hiring.

The Tampa Bay office market ended 2011 on several positive notes. Fourth quarter absorption was close to 500,000 SF, bringing 2011 annual absorption to over 1 MSF. Vacancy is under 20% for the first time since 2008, resting at 19.9%. Average asking lease rates have dropped below $20 PSF FSG, rates not seen since 2006.

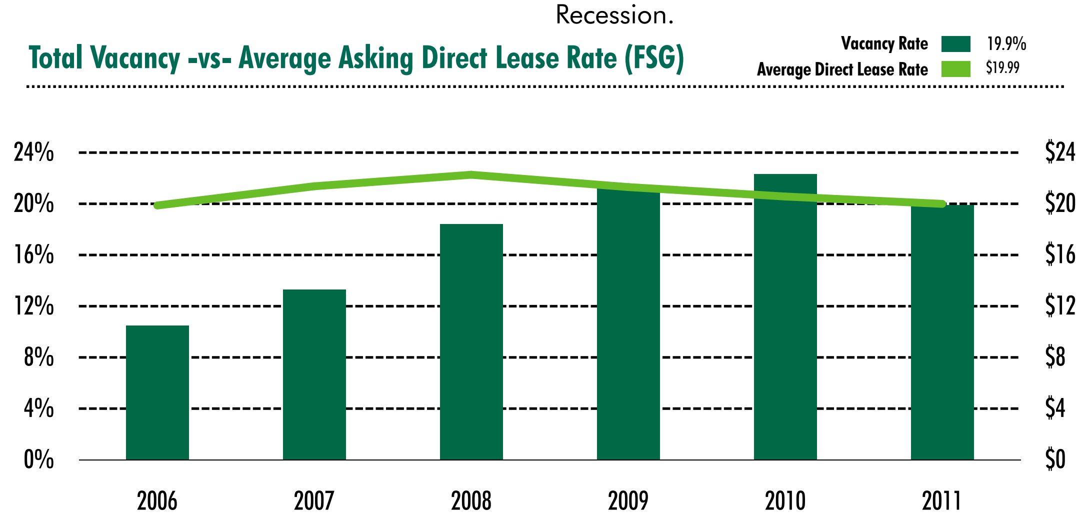
The Westshore submarket, historically Tampa Bay's highest priced and highly sought after submarket, accounts for much of the positive activity at the end of the year. Vacancy stands at 17.2%, down almost six percentage points from this time last year, with annual absorption of over 600,000 SF. WellCare, Blue Cross & Blue Shield of Florida, Florida Medical Quality Assurance and Florida Default Law Group all signed new deals this year, contributing to the growth in Westshore. The largest transaction of the year was with PricewaterhouseCoopers signing a lease for 250,000 SF at MetWest Two with construction anticipated to start early 2012.

The Mid-Pinellas submarket has also seen good activity in a year-over-year comparison. Vacancy stands at 15.1%, down from last year's 20.2%. Rates have remained relatively stable, declining only 2% from 2010 asking rates. Annual absorption was positive, anchored by several notable movements including: Humana, Universal American Mortgage Company, Paychex and Florida Department of Health.

Investors and owner occupiers have become more confident in the Tampa MSA office market. Over 30 sale transactions were recorded in 2011, an increase from the 17 sales recorded in 2010. When combined, over 2.5 MSF traded hands with volume close to $300 million. The average price per square foot has dropped to $106 with cap rates ranging from 7.5% to 8.5%. Nine of these sale transactions took place in the fourth quarter, the largest of which was Highland Oaks, a five-property complex of Class A office buildings, totaling 525,000 SF, sold from Duke Realty to Blackstone for $61.7 million as part of an 82-property U.S. portfolio sale.

Tampa Bay's economy was boosted at year-end with declining unemployment rates and an uptick in job growth. The services sector, a long-time driving force in Tampa Bay, has been joined by financial activities, leisure and hospitality, and the government sector in experiencing growth over the last quarter. With market conditions improving and brighter economic indicators, the hope is businesses will regain some of the confidence lost during the Great Recession.

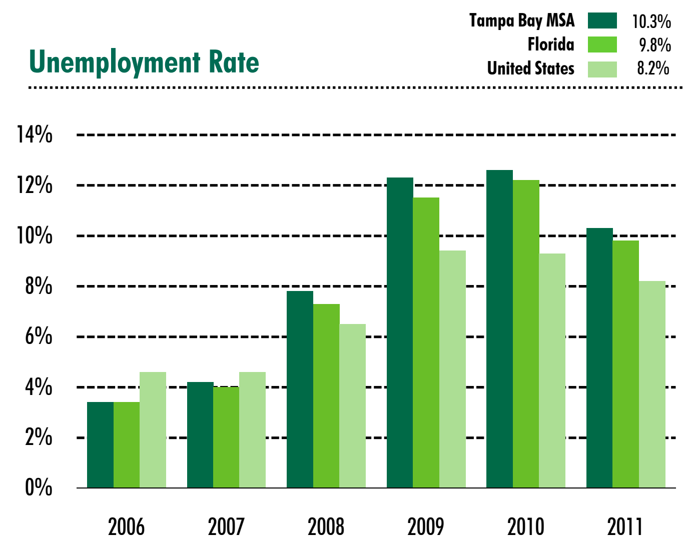
Total Vacancy -vs- Average Asking Direct Lease Rate (FSG)



Market Statistics

Submarket	Building SF	Direct Vacancy %	Total Vacancy %	Qtr Net Absorption	2011 Net Absorption	Under Construction	Avg. Dir. Asking Lease Rate (FSG)
Tampa CBD	6,887,585	16.0	16.6	20,820	150,629	0	$20.66
Westshore	11,270,608	16.7	17.2	386,646	623,516	0	$24.03
SW Tampa/Interbay	1,074,978	9.7	9.7	18,146	33,227	0	$18.78
NW Tampa	4,954,721	17.2	17.9	11,597	(59,890)	36,000	$19.61
NE Tampa	4,060,187	26.9	27.0	(37,490)	(30,016)	0	$19.79
Plant City	51,280	6.4	6.4	0	0	0	$10.00
East Tampa	3,031,919	27.0	28.6	48,685	116,120	0	$17.48
SE Tampa	431,129	19.7	19.7	7,400	19,700	0	$20.93
Overall Hillsborough	**31,762,407**	**18.7**	**19.3**	**455,804**	**853,286**	**36,000**	**$21.07**
St. Pete CBD	2,107,206	21.5	21.6	(4,847)	11,162	0	$20.11
SE St. Pete	1,593,215	22.9	23.2	29,486	43,581	0	$15.63
SW St. Pete	580,649	14.7	14.7	798	(3,671)	0	$12.44
Mid-Pinellas	3,819,293	15.0	15.1	47,162	178,994	0	$18.20
N Pinellas	5,061,525	25.5	26.4	(48,400)	(57,265)	0	$16.98
Overall Pinellas	**13,161,888**	**21.0**	**21.5**	**24,199**	**172,801**	**0**	**$17.41**
Total Suburban	38,036,710	20.0	20.5	459,183	875,458	36,000	$19.90
Total Tampa	**44,924,295**	**19.4**	**19.9**	**480,003**	**1,026,087**	**36,000**	**$19.99**
Class A	18,642,217	21.6	22.3	345,339	730,653	36,000	$23.03
Class B	18,535,174	18.5	18.9	161,395	416,524	0	$17.81
Class C	7,747,904	16.4	16.5	(26,731)	(121,090)	0	$14.96

Unemployment Rate



Tampa Bay's non-seasonally adjusted unemployment rate for November 2011 was 10.3%, a 230 basis point decrease from this time last year. During the same time frame, the workforce increased by over 32,000 jobs.

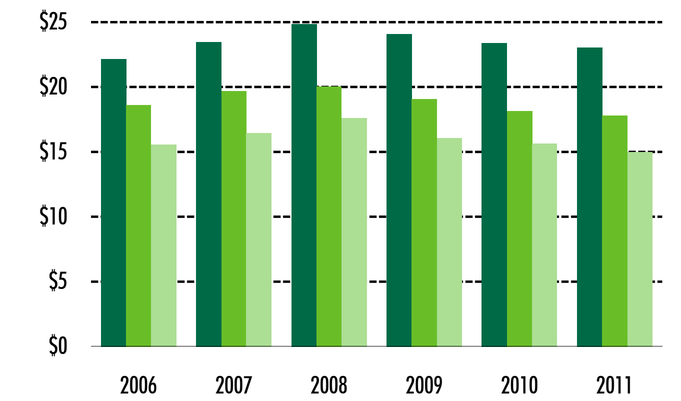
Tampa Bay MSA counties breakout as followed:

County	Labor Force	Employment	Unemployment	Unemploy%
Hernando	63,228	54,936	8,292	13.1
Hillsborough	601,173	542,378	58,795	9.8
Pasco	197,402	174,818	22,584	11.4
Pinellas	443,914	399,542	44,372	10.0

The Tampa Bay MSA year-over-year comparison aligns with the state's year-over-year unemployment, both declining 230 basis points. National unemployment declined 110 basis points, increasing workforce by 1.6 million.

Average Direct Asking Lease Rate (FSG)

Class A $23.03
Class B $17.81
Class C $14.96

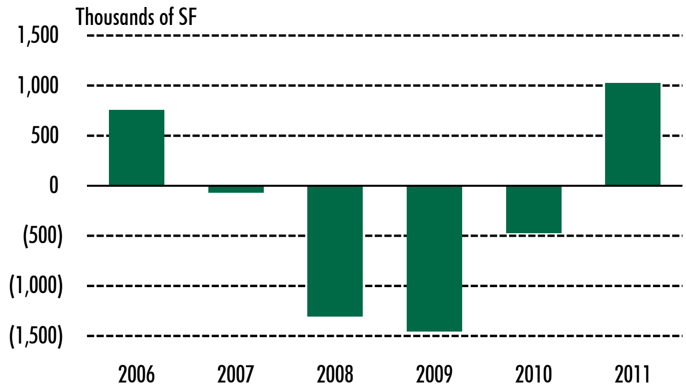


Overall asking lease rates once again softened this quarter, averaging $19.99 PSF FSG. This is a 10% decrease since a peak in 2008. During this same time frame, Class A rates have declined 7%, Class B has declined 11% and Class C space has declined 15%.

Area	Class A	Class B	Class C
Tampa CBD	$22.39	$18.45	$14.97
Westshore	$27.06	$20.67	$17.35
Total Hillsborough	$23.95	$18.34	$15.48
Total Pinellas	$20.15	$16.29	$14.62
Tampa Bay Market	$23.03	$17.81	$14.96

Net Absorption

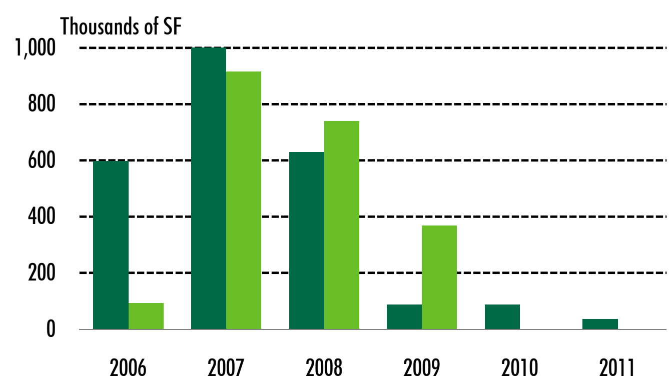
2011 1,026 K



The Tampa Bay office market experienced positive 480,003 SF of net absorption this quarter, ending the year with over 1 MSF of positive absorption. At year end, 2011 finally breaks the four-year streak of negative absorption, which when combined brought 3.3 MSF of space onto the market. The Westshore submarket posted over 600,000 SF of positive absorption for the year with almost 400,000 SF this quarter. The largest contributors to Westshore's positive absorption include; WellCare, Connectwise, OSI Restaurant Partners, One Call Medical and TEK Systems, all taking occupancy this quarter. Several other Tampa Bay tenants took occupancy this quarter including: Healthpoint Management Services, Learning Gate Education, Jabil Circuit, and Environmental Sciences.

Under Construction and Completions

Under Construction 36 K
Completions 0 K



One building is currently underway in Tampa Bay. Ashlyn Park at 5020 W Linebaugh Avenue in Tampa is scheduled to deliver 36,000 SF in early 2012.

Below is a breakdown of inventory grouped by delivery years and how they stand today:

Built	# Bldg	RBA	Vacancy	Asking Rate	Qtrly Abs
2005-Current	54	2,767,807	28.4%	$23.99	43,754
2000-2004	60	3,062,764	11.9%	$23.18	(7,552)
1990-1999	80	6,693,449	18.9%	$20.98	118,257
1980-1989	427	23,011,170	20.7%	$19.77	311,686
1970-1979	136	5,814,581	18.4%	$16.94	7,728
1969 and Prior	126	3,574,524	19.4%	$14.97	6,130

CBRE

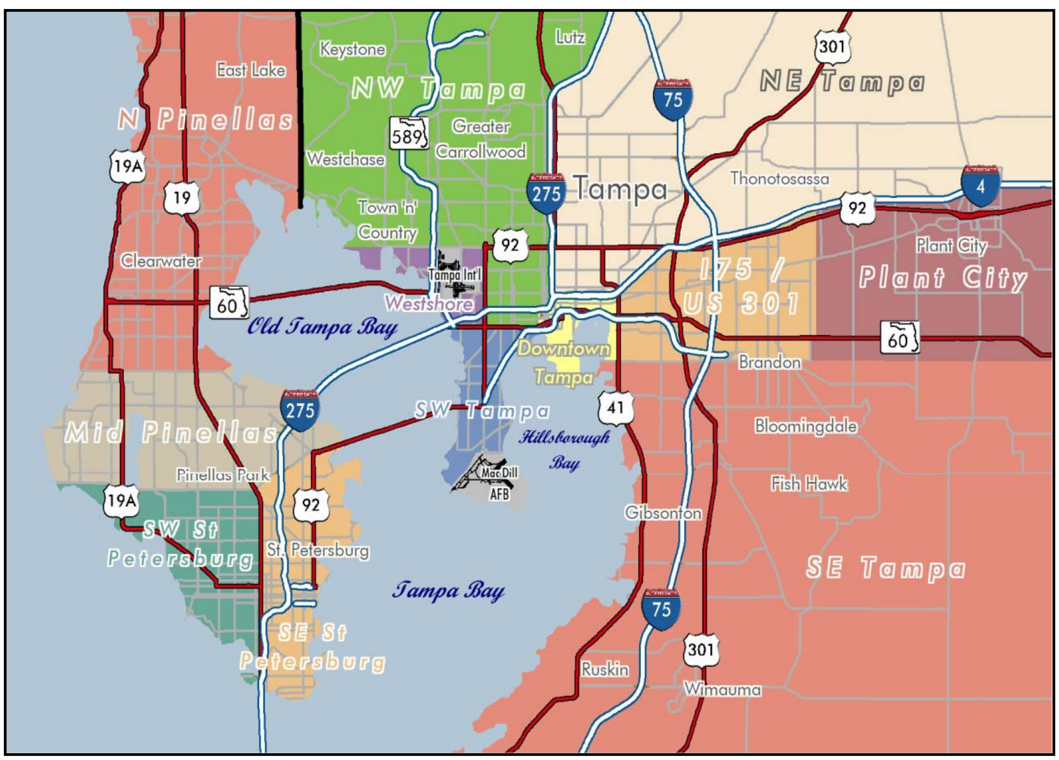
Top Transactions

Lease Size (SF)	Tenant	Address
66,000	Amerilife Group	Amerilife Place, 2650 McCormick Drive, Clearwater
65,000	Walt Disney Parks & Resorts	14014 Fieldside Place, Tampa*
65,000	WellCare	Independence Park I, 4110 George Road, Tampa
55,000	OSI Restaurant Partners	Corporate Center One, 2202 N Westshore Blvd, Tampa

Bldg Size (SF)	Buyer	Address	Sale Price
525,000	Blackstone	Highland Oaks (5 Building Complex), Tampa	$61.7 Million
120,000	Venus Investment Properties / Keiser University	4902-5002 W Waters Avenue, Tampa	$7.1 Million
45,000	Hospital Corporation of America	6450 38th Avenue N, St. Petersburg	$4.8 Million
40,000	Christian International School of Healthcare Professionals	300 E Bay Drive, Largo	$1.9 Million

** Denotes a CBRE transaction*

Tampa Submarket Map



Average Asking Lease Rate
Rate determined by multiplying the asking net lease rate for each building by its available space, summing the products, then dividing by the sum of the available space with net leases for all buildings in the summary.

Net Leases
Includes all lease types whereby the tenant pays an agreed rent plus most, or all, of the operating expenses and taxes for the property, including utilities, insurance and/or maintenance expenses.

Market Coverage
Includes all competitive office buildings 10,000 square feet and greater in size.

Net Absorption
The change in occupied square feet from one period to the next, including sublease space.

Direct Absorption
The change in direct occupied space from one period to the next.

Net Rentable Area
The gross building square footage minus the elevator core, flues, pipe shafts, vertical ducts, balconies, and stairwell areas.

Occupied Square Feet
Building area not considered vacant.

Under Construction
Buildings which have begun construction as evidenced by site excavation or foundation work.

Available Square Feet
Available Building Area which is either physically vacant or occupied.

Availability Rate
Available Square Feet divided by the Net Rentable Area.

Vacant Square Feet
Existing Building Area which is physically vacant or immediately available.

Vacancy Rate
Vacant Building Feet divided by the Net Rentable Area.

Normalization
Due to a reclassification of the market, the base, number and square footage of buildings of previous quarters have been adjusted to match the current base. Availability and Vacancy figures for those buildings have been adjusted in previous quarters.

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