



Office Market Report - 2014

Kootenai County, Idaho

Annual Comparison	2012		2013		2014
Coeur d'Alene Office Vacancy (sq. ft.)	375,419	▼	304,179	▲	352,333
Post Falls Office Vacancy (sq. ft.)	88,017	▼	50,163	▲	54,247
Total Kootenai County Vacancy (sq. ft.)	500,654	▼	381,625	▲	428,052
Overall Vacancy Rate	13.52%	▼	10.23%	▲	11.06%
Average Asking Rent (per sq. ft.) *	\$5.10-\$18.50	▼	\$6.44-\$17.26	▲	\$9.60-\$17.97

Actual	Forecast
▲ Vacancy	▲ Vacancy
▲ Rents	Flat Rents

Please note: Actual-Compared to the preceding year. Forecast-Next 12 months compared to last 12 months.

* The rental basis for the "average asking rent" is a mix of full service, modified, and triple-net rents, as well as rentable and useable areas. The rates are not adjusted to one specific basis and should only be considered as an economic indicator.

Key Findings

- Total market vacancy increased from 10.23% to 11.06%.
- Rathdrum office market strengthened with vacancy decreasing from 4.03% to 2.03%.
- Hayden office market rental rates increased from \$12.03 to \$14.99 per square foot.
- Coeur d'Alene office rents strengthened from \$17.26 to \$17.97 per square foot.



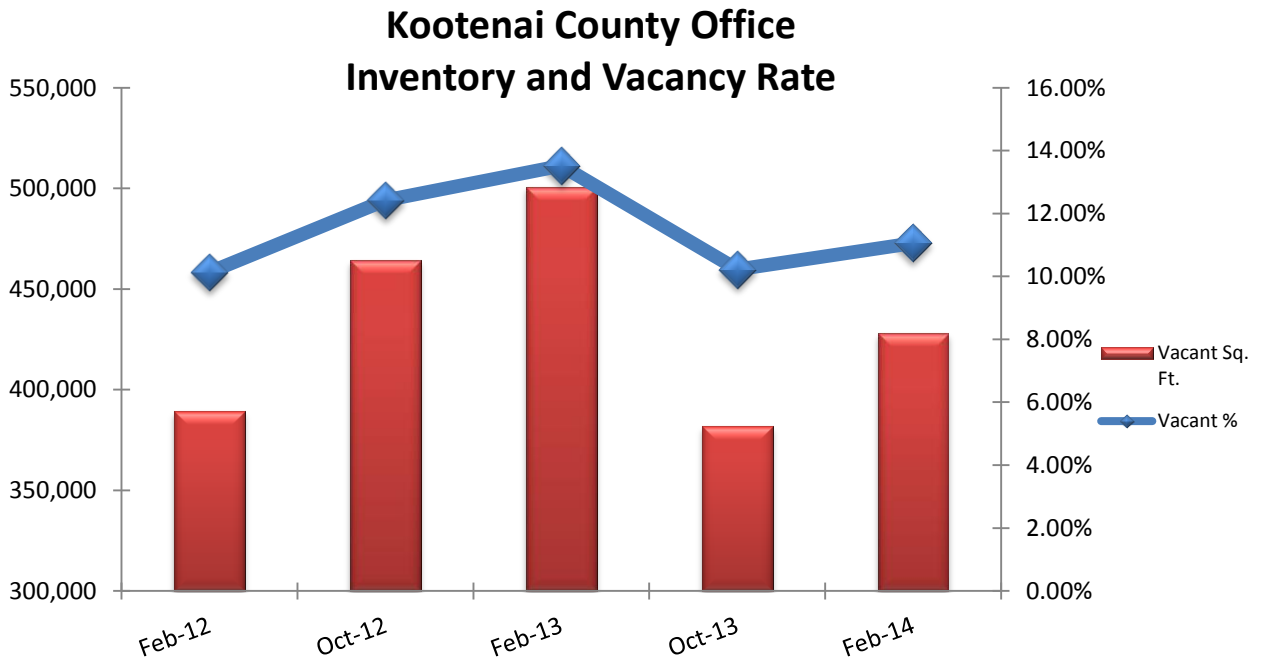
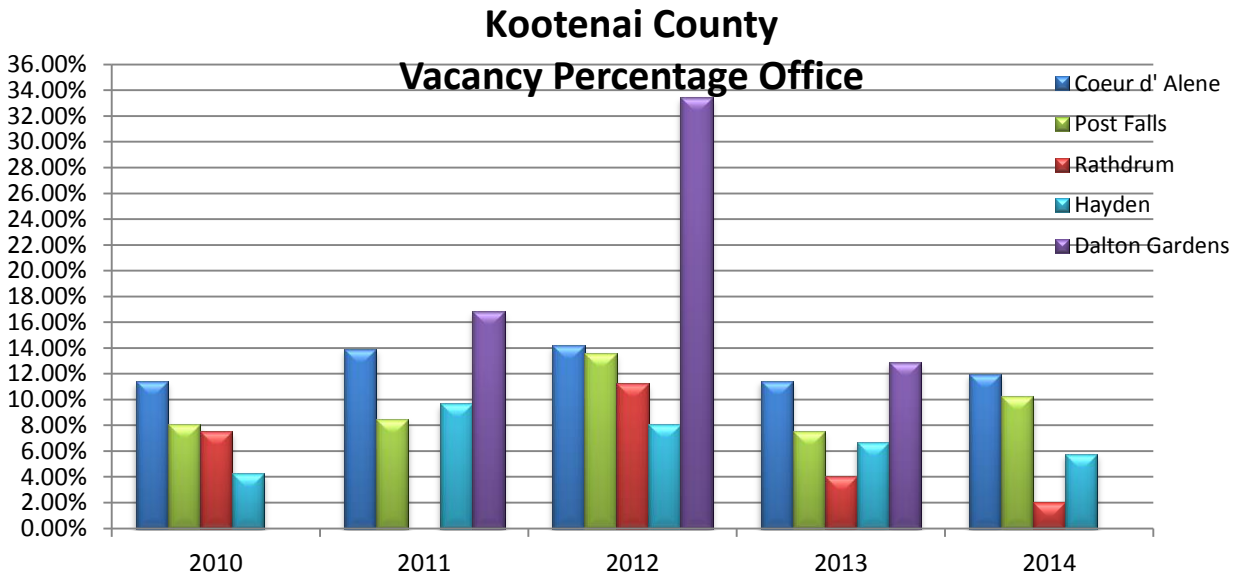
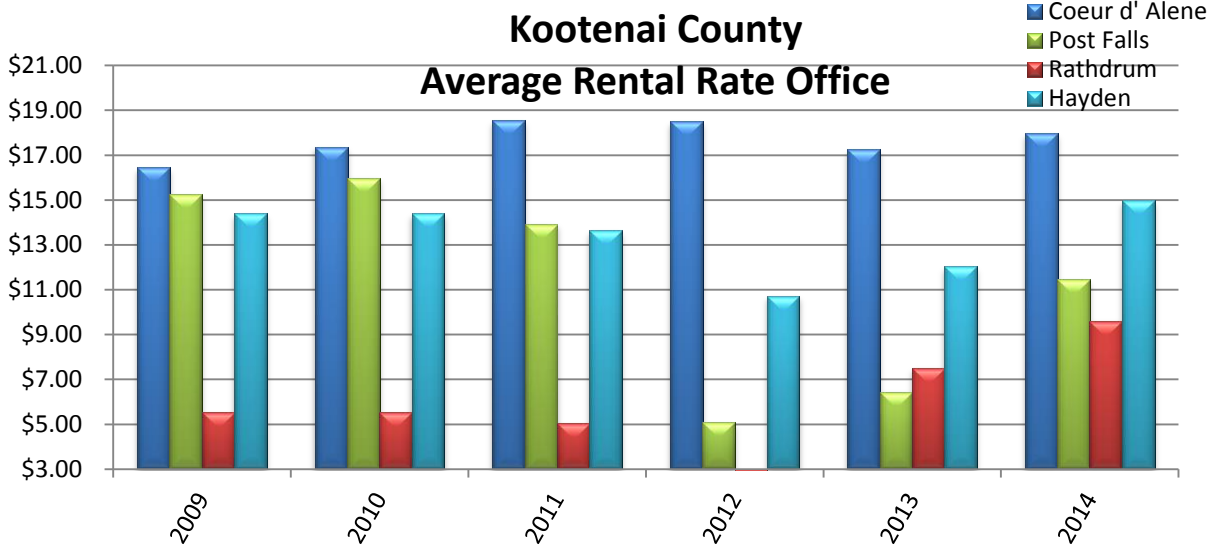
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Kootenai County Office Market Report

	2008	2009	2010	2011	2012	2013	2014
COEUR D'ALENE							
# Buildings Surveyed	103	190	268	242	264	264	272
Net Useable Sq. Ft.	987,674	2,050,286	2,736,120	2,638,662	2,645,719	2,655,538	2,939,124
Vacant Sq. Ft.	99,085	122,181	312,439	367,855	375,419	304,179	352,333
Vacant %	10.03%	5.96%	11.42%	13.94%	14.19%	11.45%	11.99%
Avg. Recent Rate/Sq. Ft.		\$16.44	\$17.36	\$18.54	\$18.50	\$17.26	\$17.97
POST FALLS							
# Buildings Surveyed	50	50	58	53	56	58	53
Net Useable Sq. Ft.	656,685	531,032	726,753	704,006	647,858	669,791	528,725
Vacant Sq. Ft.	17,926	15,112	58,545	59,590	88,017	50,163	54,247
Vacant %	2.73%	2.85%	8.06%	8.46%	13.59%	7.49%	10.26%
Avg. Recent Rate/Sq. Ft.		\$15.24	\$15.99	\$13.94	\$5.10	\$6.44	\$11.46
RATHDRUM							
# Buildings Surveyed	15	16	16	8	7	7	8
Net Useable Sq. Ft.	69,904	70,796	70,796	24,100	21,544	21,544	24,915
Vacant Sq. Ft.	0	3,216	5,312	0	2,428	868	507
Vacant %	0.00%	4.54%	7.50%	0.00%	11.27%	4.03%	2.03%
Avg. Recent Rate/Sq. Ft.		\$5.52	\$5.52	\$5.04		\$7.50	\$9.60
HAYDEN							
# Buildings Surveyed	23	38	49	48	60	60	59
Net Useable Sq. Ft.	151,467	239,778	302,185	360,622	375,292	371,635	362,948
Vacant Sq. Ft.	0	8,630	12,978	34,965	30,347	24,703	20,965
Vacant %	0.00%	3.60%	4.29%	9.70%	8.09%	6.65%	5.78%
Avg. Recent Rate/Sq. Ft.		\$14.40	\$14.39	\$13.65	\$10.72	\$12.03	\$14.99
DALTON GARDENS							
# Buildings Surveyed	1	1	1	1	2	2	2
Net Useable Sq. Ft.	6,476	7,224	7,224	10,154	13,282	13,282	14,712
Vacant Sq. Ft.	0	0	0	1,712	4,443	1,712	0
Vacant %	0.00%	0.00%	0.00%	16.86%	33.45%	12.89%	0.00%
Avg. Recent Rate/Sq. Ft.							
TOTALS							
# Buildings Surveyed	192	295	392	352	389	391	394
Net Useable Sq. Ft.	1,872,206	2,899,116	3,843,078	3,737,544	3,703,695	3,731,790	3,870,424
Vacant Sq. Ft.	117,011	149,139	389,274	464,122	500,654	381,625	428,052
Vacant %	6.25%	5.14%	10.13%	12.42%	13.52%	10.23%	11.06%

Information contained herein has been obtained from the owners of the properties or from other sources that we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

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Alabama, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin

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- Tenant/Buyer Representation
- Investment Services
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- Marketing Programs
- Sale-Leaseback
- Net Lease Transactions
- Market Reports & Opinions of Value
- Contact Center/Site Selection Services

Technology Services

- CLAS™ Project & Portfolio Administration & Analysis
- REALTrac™ Online Transaction Management



Asset Services

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- Property Management
- Corporate Facilities Management
- Build-to-Suit/Development Services

Financial & Investment Services

- Capital Markets
- Acquisition/Disposition
- Investment Services
- Mortgage Brokerage
- Structured Lease Finance
- 1031 Exchange Services
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- Due Diligence Management
- Feasibility Analysis
- Lease & Utility Audits
- Lease Administration
- Location Benefits Analysis
- Move Management
- Property Valuation & Tax Consulting
- Relocation Studies
- Site Location Modeling
- Six Sigma Consulting
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- NAI Global Contact Center/ Site Selection Services
- NAI Global Life Sciences Group
- NAI Global Logistics
- NAI Global Market Analytics
- NAI Global Multi-family Group
- NAI Global Supply Chain Solutions
- NAI ReStore Retail Services