



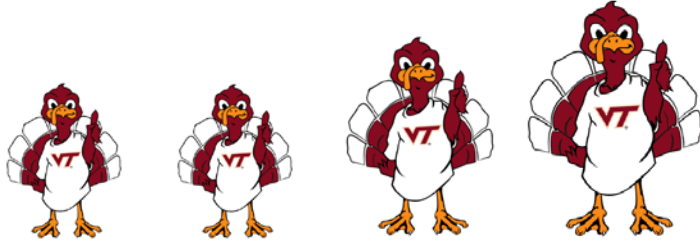
# State of the Office Market

Members Only Round Table

May 18, 2016



Carman Liuzzo  
Highwoods Properties  
22 years  
Investment Team



Raleigh Portfolio  
4.9M SF  
93% Occupancy

5.4% Year over Year  
↑ Rent Growth



1.4M SF Development

- Founded in 1979
- Became a Public Company in 2013 (NYSE: AHH)
- Full Service Real Estate Developer with In-house General Contractor
- Developed over 25 Million SF of Real Estate Worth over \$3.3 Billion in Market Value
- Experience in Retail, Office, Multi-Family, Mixed-Use, Hospitality, Medical and Industrial



**CHRISTOPHER J. ODLE**  
*Vice President of Development*

Over 25 years of experience in planning, estimating and construction

Oversees activities that relate to company and entity ownership of development projects and supervises property acquisitions

Works closely with management to ensure that project development is economically feasible, financially viable and completed within the stated objectives

Michael Morgan

JLL

20 years

Triangle Tenant Representation



Provides commercial real estate strategy, services and support to organizations worldwide.

Local Government Federal Credit Union: 100,000  
SF Office, Buyer's agency, Project Management,  
\$20M Redevelopment

- Changing landscape of office product under development & redevelopment (i.e. warehouse conversions)
- CBD Development; Plug 'n Play, Live, Work, Play

- Lack of options for credit-challenged tenants
- Not enough inexpensive start-up space options
- Rush hour traffic congestion
- Limited supply of venture capital

# Trinity Capital Advisors



TRINITYCAPITAL

Invested over **\$1.8 BILLION IN 14M SF**  
since 2001 across the Southeast

## CAPITAL PARTNERS:



## CURRENT PORTFOLIO INCLUDES:



**PERIMETER PARK**  
Morrisville, NC  
2.65 million SF



**400 SOUTH TRYON**  
Charlotte, NC  
585,000 SF



**FABER PLAZA**  
Charleston, SC  
125,000 SF

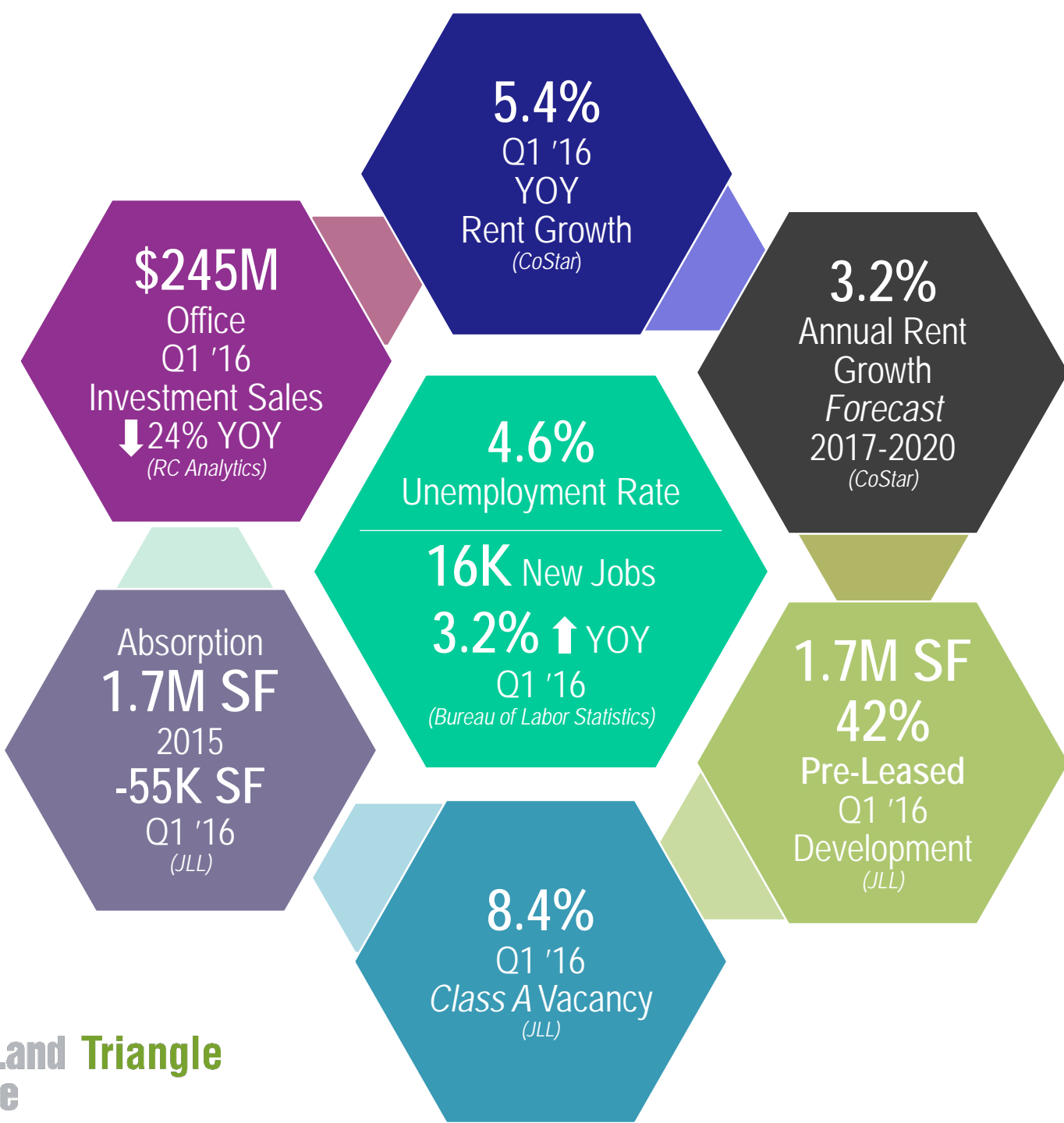


## **JEFF SHEEHAN**, *Partner*

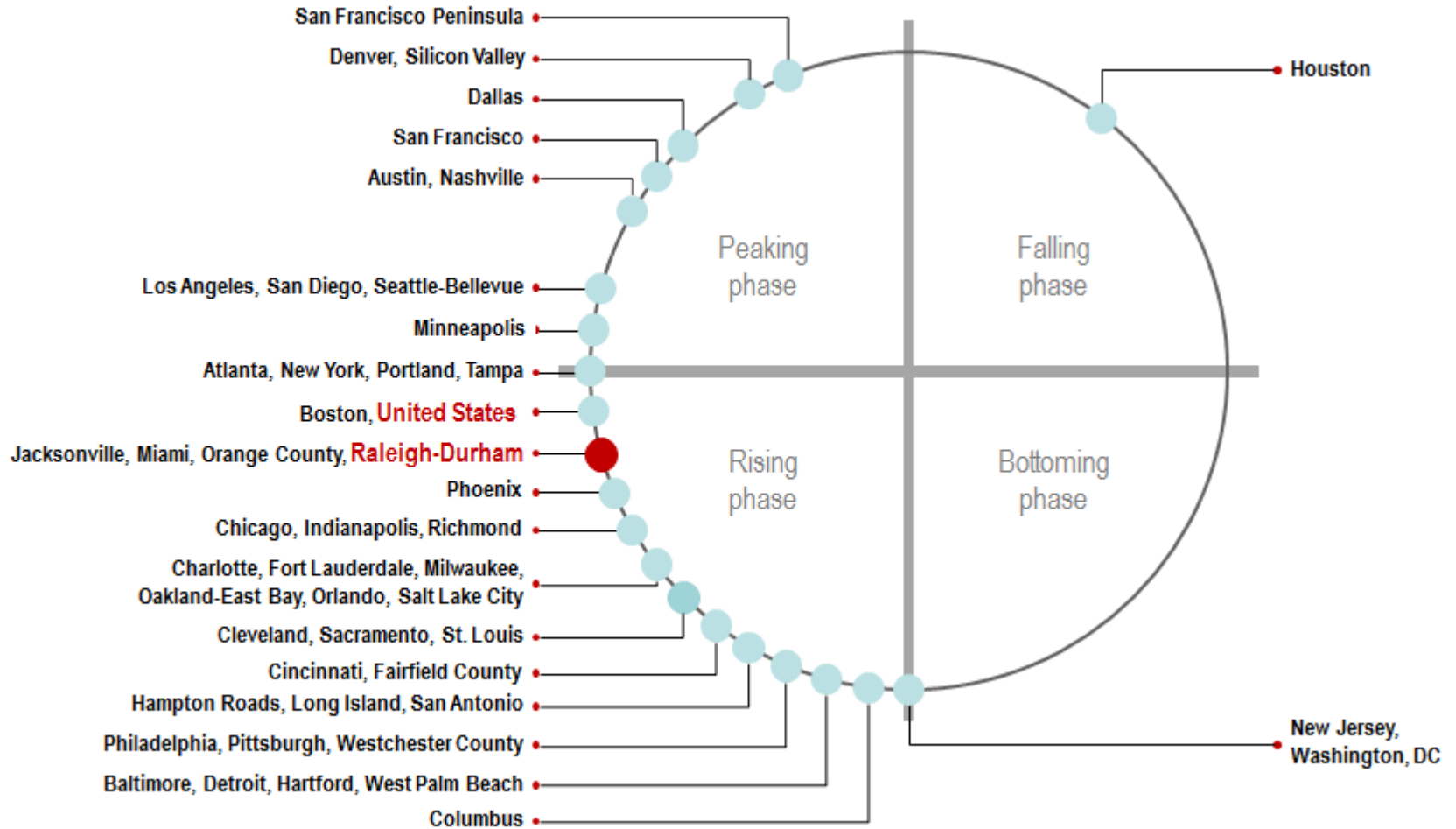
16-year industry veteran, formerly with Duke Realty

Responsible for sourcing, structuring, and ensuring capitalization while overseeing due diligence

Completed over \$450 million in new development and acquisition projects

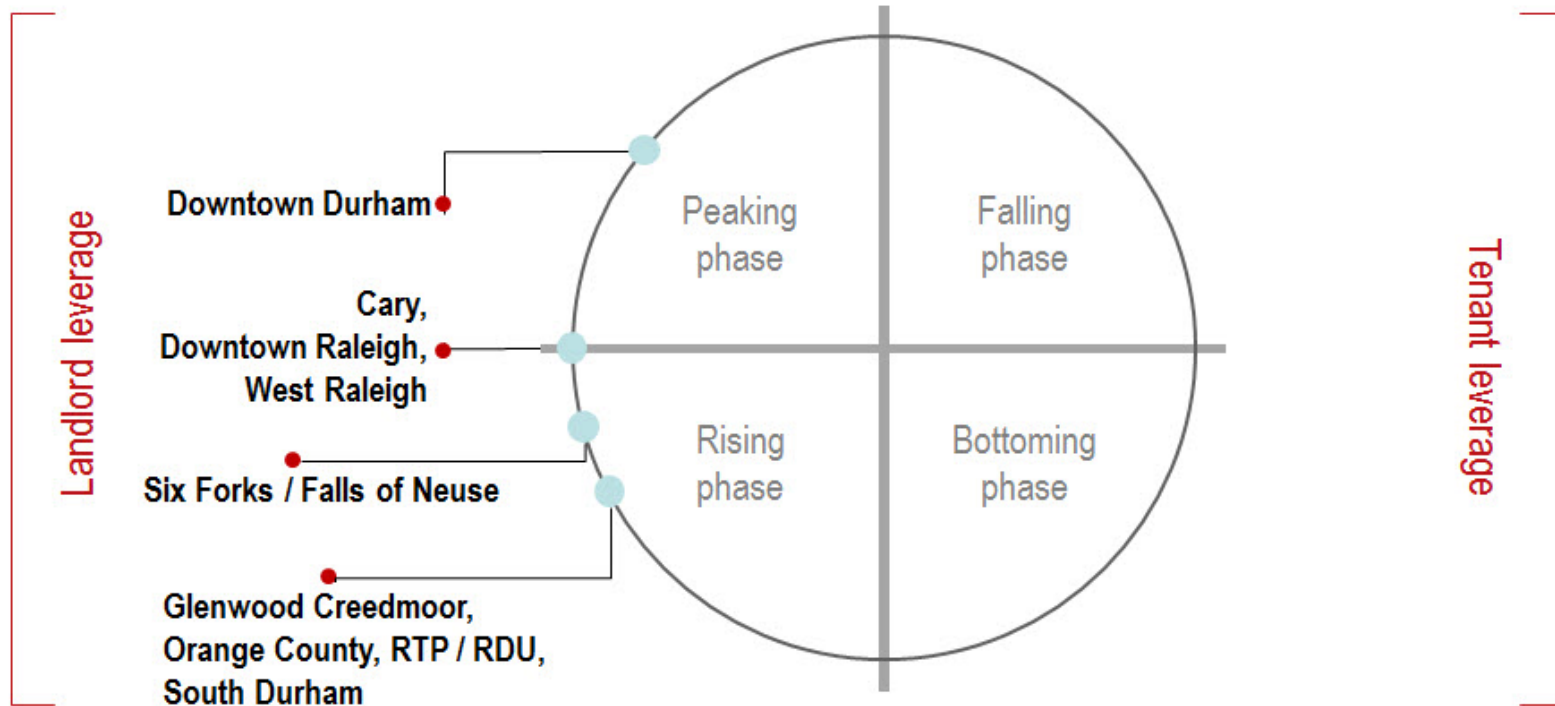


# US Office Market Cycle



Source: JLL Research

# Raleigh-Durham Submarket Cycle



Source: JLL Research



# Raleigh-Durham

## Submarket Stats Q1 2016

	Inventory (s.f.)	Total net absorption (s.f.)	Direct vacancy (%)	Average asking rent (\$ p.s.f.)	Under construction (s.f.)
Downtown Durham	3,112,253	6,145	2.4%	\$23.71	414,000
Downtown Raleigh	3,849,409	26,781	10.5%	\$27.57	227,000
<b>CBD</b>	<b>6,961,662</b>	<b>32,926</b>	<b>6.9%</b>	<b>\$26.96</b>	<b>641,000</b>
Cary	5,851,705	-49,010	8.1%	\$21.03	0
East Raleigh	633,249	4,256	8.6%	\$15.47	0
Glenwood/Creedmoor	1,765,705	19,652	8.0%	\$20.47	0
North Durham	626,953	523	49.2%	\$14.33	0
Orange County	1,420,524	8,156	5.5%	\$25.47	159,000
Route 1	1,843,956	8,392	6.7%	\$17.86	0
RTP/RDU	11,398,756	-18,330	15.5%	\$19.05	200,000
Six Forks/Falls of Neuse	5,623,020	-593	9.4%	\$23.39	642,869
South Durham	2,601,379	-43,408	5.3%	\$20.77	0
Southwest Wake County	137,768	0	12.7%	\$22.00	0
West Raleigh	5,499,280	-18,158	10.9%	\$22.54	24,582
<b>Suburban</b>	<b>37,402,295</b>	<b>-88,520</b>	<b>11.3%</b>	<b>\$20.12</b>	<b>1,026,451</b>
<b>Raleigh-Durham</b>	<b>44,363,957</b>	<b>-55,594</b>	<b>10.6%</b>	<b>\$20.82</b>	<b>1,667,451</b>

Source: JLL Research



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