

CoStar Retail Statistics

First Quarter 2017

Lubbock Retail Market



CoStarTM
The knowledge market

Table of Contents

Table of Contents	A
Methodology	B
Terms & Definitions	C
Market Highlights & Overview	1
CoStar Markets	3
Inventory & Development Analysis	4
Inventory & Development Analysis	
Select Top Under Construction Properties	
Figures at a Glance	7
Figures at a Glance by Building Type & Market	
Historical Figures at a Glance	
Leasing Activity Analysis	11
Select Top Lease Transactions	
Analysis of Individual CoStar Submarket Clusters	13
Crosby County Market	
Downtown Lubbock Market	
North Inner Loop Market	
North Outer Lubbock Market	
South Outer Lubbock Market	
Southeast Inner Loop Market	
Southwest Inner Loop Market	

Methodology

The CoStar Retail Statistics calculates Retail statistics using CoStar Group's base of existing, under construction and under renovation Retail buildings in each given metropolitan area. All Retail building types are included, including Community Center, Freestanding Retail, Neighborhood Center, Power Center, Regional Mall, Specialty Center and Unanchored Strip Center, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Retail Report are calculated using Triple Net (NNN) rental rates.

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Terms & Definitions

Anchor Tenant: A large national or regional retailer that serves as a primary draw for a shopping center; a store strategically located in a retail property in order to enhance, bring attention to, or increase traffic at the property. Sometimes called a “destination” tenant, usually these tenants lease at least 25,000 SF.

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year’s net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

Community Center: A shopping center development that has a total square footage between 100,000 – 350,000 SF. Generally will have 2-3 large anchored tenants, but not department store anchors. Community Center typically offers a wider range of apparel and other soft goods than the Neighborhood Center. Among the more common anchors are supermarkets and super drugstores. Community Center tenants sometime contain retailers selling such items as apparel, home improvement/furnishings, toys, electronics or sporting goods. The center is usually configured as a strip, in a straight line, or an “L” or “U” shape.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certificate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Freestanding Retail: Single tenant building with a retail tenant. Examples include video stores, fast food restaurant, etc.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

General Retail: Typically are single tenant freestanding general-purpose commercial buildings with parking. Many single retail buildings fall into this use code, especially when they don’t meet any of the more detailed use code descriptions.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that

represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Lifestyle Center: An upscale, specialty retail, main street concept shopping center. An open center, usually without anchors, about 300,000 SF GLA or larger, located near affluent neighborhoods, includes upscale retail, trendy restaurants and entertainment retail. Nicely landscaped with convenient parking located close to the stores.

Mall: The combined retail center types of Lifestyle Center, Regional Mall and Super Regional Mall.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different tenant needs. (See also: Tenancy).

Neighborhood Center: Provides for the sales of convenience goods (food, drugs, etc.) and personal services (laundry, dry cleaning, etc.) for day-to-day living needs of the immediate neighborhood with a supermarket being the principal tenant. In theory, the typical GLA is 50,000 square feet. In practice, the GLA may range from 30,000 to 100,000 square feet.

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Outlet Center: Usually located in a rural or occasionally in a tourist location, an Outlet Center consists of manufacturer’s outlet stores selling their own brands at a discount. 50,000–500,000 SF. An Outlet Center does not have to be anchored. A strip configuration is most common, although some are enclosed malls and others can be arranged in a village cluster.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Power Center: The center typically consists of several freestanding (unconnected) anchors and only a minimum amount of small specialty tenants. 250,000–600,000 SF. A Power Center is dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or “category killers,” i.e., stores that offer tremendous selection in a particular merchandise category at low prices.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate

of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Regional Mall: Provides shopping goods, general merchandise, apparel, and furniture, and home furnishings in full depth and variety. It is built around the full-line department store with a minimum GLA of 100,000 square feet, as the major drawing power. For even greater comparative shopping, two, three, or more department stores may be included. In theory a regional center has a GLA of 400,000 square feet, and may range from 300,000 to more than 1,000,000 square feet. Regional centers in excess of 750,000 square feet GLA with three or more department stores are considered Super Regional. (See also: Super Regional Mall).

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Shopping Center: The combined retail center types of Community Center, Neighborhood Center and Strip Center.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Specialty Center: The combined retail center types of Airport Retail, Outlet Center and Theme/Festival Center.

Sports & Entertainment: A facility suited for recreational activities, including: Amusement Facility, Aquatic Facility/Swimming Pool, Bowling Alley, Casino/Gaming Facility, Equestrian Center/Stable, Fitness, Court and Spa Facility, Golf Related, Racetrack, Skating Rink, Ski Resort, Sports Arena/Stadium, and Theatre/Performing Art Facility.

Strip Center: A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an "L" or "U" shape.

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other

and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Super Regional Mall: Similar to a regional mall, but because of its larger size, a super regional mall has more anchors, a deeper selection of merchandise, and draws from a larger population base. As with regional malls, the typical configuration is as an enclosed mall, frequently with multiple levels (See also: Regional Mall).

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Theme/Festival Center: These centers typically employ a unifying theme that is carried out by the individual shops in their architectural design and, to an extent, in their merchandise. Sometimes the biggest appeal of these centers is to tourists; they can be anchored by restaurants and entertainment facilities. These centers, generally located in urban areas, tend to be adapted from older, sometimes historic, buildings, and can be part of mixed-use projects. 80,000 –250,000 SF.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Lubbock Retail Market



Overview

Lubbock's Vacancy Increases to 4.7% Net Absorption Negative (18,628) SF in the Quarter

The Lubbock retail market did not experience much change in market conditions in the first quarter 2017. The vacancy rate went from 4.6% in the previous quarter to 4.7% in the current quarter. Net absorption was negative (18,628) square feet, and vacant sublease space increased by 13,104 square feet. Quoted rental rates decreased from fourth quarter 2016 levels, ending at \$13.62 per square foot per year. A total of 0 retail buildings with 0 square feet of retail space were delivered to the market in the quarter, with 74,257 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was slightly negative in Lubbock first quarter 2017, with negative (18,628) square feet absorbed in the quarter. In fourth quarter 2016, net absorption was negative (214,548) square feet, while in third quarter 2016, absorption came in at negative (23,077) square feet. In second quarter 2016, positive 72,508 square feet was absorbed in the market.

Vacancy

Lubbock's retail vacancy rate increased in the first quarter 2017, ending the quarter at 4.7%. Over the past four quarters, the market has seen an overall increase in the vacancy rate, with the rate going from 3.0% in the second quarter 2016, to 3.2% at the end of the third quarter 2016, 4.6% at the end of the fourth quarter 2016, to 4.7% in the current quarter.

The amount of vacant sublease space in the Lubbock market has trended up over the past four quarters. At the end of the second quarter 2016, there were 14,830 square feet of

vacant sublease space. Currently, there are 29,934 square feet vacant in the market.

Rental Rates

Average quoted asking rental rates in the Lubbock retail market are down over previous quarter levels, and down from their levels four quarters ago. Quoted rents ended the first quarter 2017 at \$13.62 per square foot per year. That compares to \$13.66 per square foot in the fourth quarter 2016, and \$13.72 per square foot at the end of the second quarter 2016. This represents a 0.3% decrease in rental rates in the current quarter, and a 0.73% decrease from four quarters ago.

Inventory & Construction

During the first quarter 2017, no new space was completed in the Lubbock retail market. Over the past four quarters, a total of 172,588 square feet of retail space has been built in Lubbock. In addition to the current quarter, four buildings with 134,371 square feet were completed in fourth quarter 2016, three buildings totaling 26,717 square feet completed in third quarter 2016, and 11,500 square feet in two buildings completed in second quarter 2016.

There were 74,257 square feet of retail space under construction at the end of the first quarter 2017.

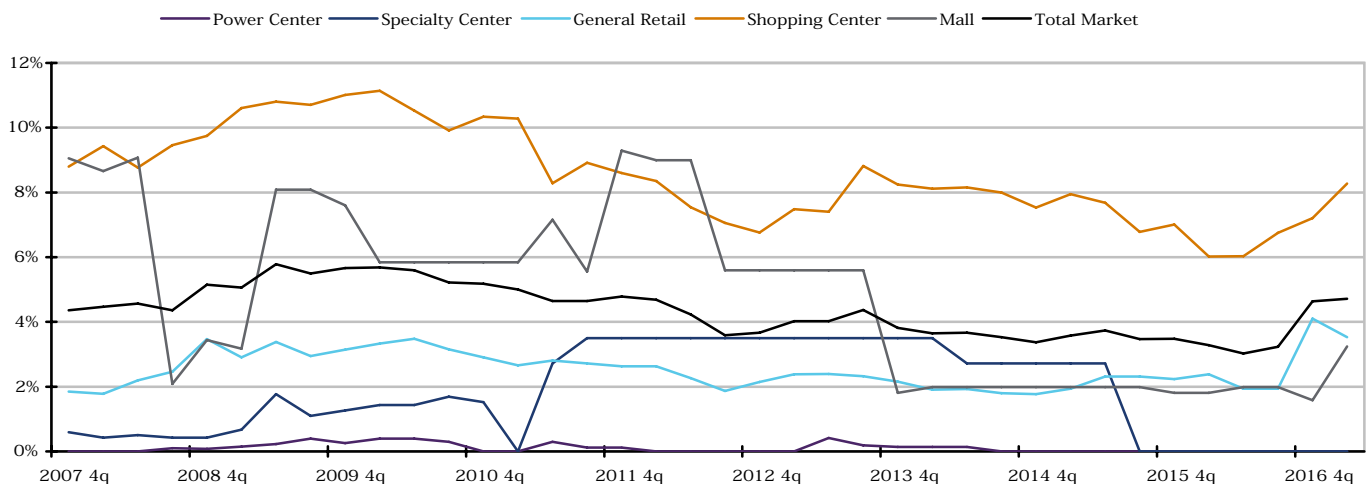
Total retail inventory in the Lubbock market area amounted to 24,502,445 square feet in 2,298 buildings and 229 centers as of the end of the first quarter 2017.

Shopping Center

The Shopping Center market in Lubbock currently consists of 224 projects with 6,904,314 square feet of retail space

Vacancy Rates by Building Type

2007-2017



Source: CoStar Property®

in 341 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing (73,825) square feet and delivering no new space in the current quarter, the Shopping Center sector saw the vacancy rate go from 7.2% at the end of the fourth quarter 2016 to 8.3% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 6.0% at the end of the second quarter 2016, to 6.8% at the end of the third quarter 2016, to 7.2% at the end of the fourth quarter 2016, and finally to 8.3% at the end of the current quarter.

Rental rates ended the first quarter 2017 at \$11.64 per square foot, up from the \$11.19 they were at the end of fourth quarter 2016. Rental rates have trended up over the past year, going from \$10.66 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled (155,673) square feet over the past four quarters. In addition to the negative (73,825) square feet absorbed this quarter, negative (31,176) square feet was absorbed in the fourth quarter 2016, negative (49,662) square feet was absorbed in the third quarter 2016, and negative (1,010) square feet was absorbed in the second quarter 2016.

Power Centers

The Power Center average vacancy rate was 0.0% in the first quarter 2017. With no net absorption and no new deliveries, the vacancy rate remained unchanged at 0.0% at the end of the first quarter.

In the fourth quarter 2016, Power Centers had no absorption, delivered no new space, and the vacancy rate stayed the same at 0.0% over the course of the quarter. Rental rates remained negotiable during this time.

A year ago, in first quarter 2016, the vacancy rate was 0.0%. Over the past four quarters, Power Centers have absorbed a cumulative 18,010 square feet of space and delivered cumulative 18,010 square feet of space. There was no sublease space over that same period, and rental rates have remained negotiable.

At the end of the first quarter 2017, there was no space under construction in the Lubbock market. The total stock of Power Center space in Lubbock currently sits at 807,832 square feet in 1 centers comprised of 15 buildings.

No space was under construction at the end of the first quarter 2017.

General Retail Properties

The General Retail sector of the market, which includes all freestanding retail buildings, except those contained within a center, reported a vacancy rate of 3.5% at the end of first quarter 2017. There was a total of 524,762 square feet vacant at that time. The General Retail sector in Lubbock currently has average rental rates of \$16.34 per square foot per year. There are 74,257 square feet of space under construction in this sector, with 0 square feet having been completed in the first quarter. In all, there are a total of 1,928 buildings with 14,857,712 square feet of General Retail space in Lubbock.

Specialty Centers

There are currently 2 Specialty Centers in the Lubbock market, making up 118,384 square feet of retail space. In this report the Specialty Center market is comprised of Outlet Center, Airport Retail and Theme/Festival Centers.

Specialty Centers in the Lubbock market have experienced no net absorption in 2017.

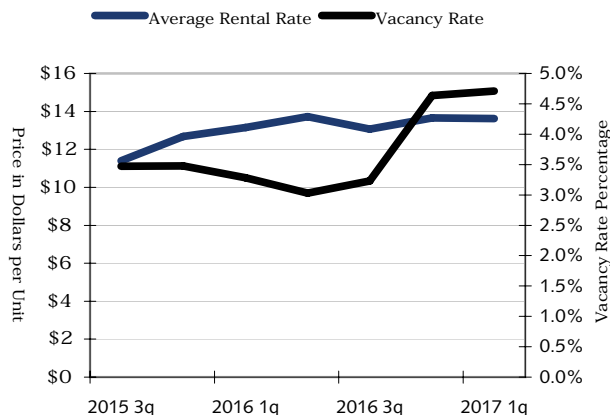
Malls

Malls recorded net absorption of negative (30,198) square feet in the first quarter 2017. This net absorption number, combined with no new space that was built in the quarter, caused the vacancy rate to go from 1.6% a quarter ago to 3.2% at the end of the first quarter 2017. Rental rates went from \$8.91 per square foot to \$11.62 per square foot during that time. In this report the Mall market is comprised of 2 Lifestyle Center, Regional Mall and Super Regional Malls.

Reports compiled by: Jeff Warnock, CoStar Research Manager.

VACANCY & RENT

Past 7 Quarters



Source: CoStar Property®

Lubbock Retail Market



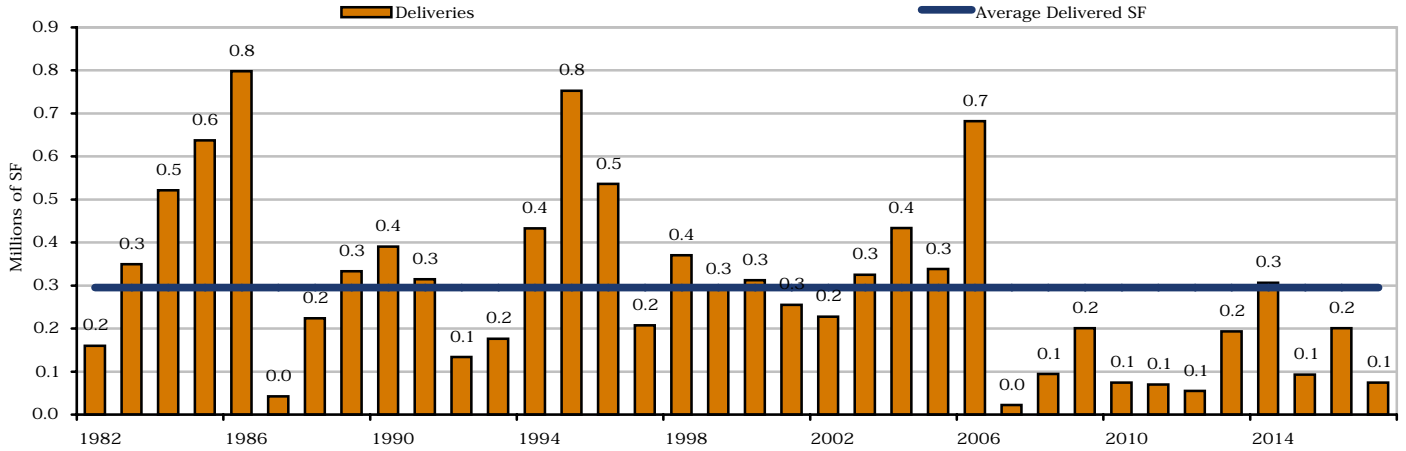
Markets

CoStar Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters
Crosby County
Downtown Lubbock
North Inner Loop
North Outer Lubbock
South Outer Lubbock
Southeast Inner Loop
Southwest Inner Loop

Historical Deliveries 1982 - 2017



Source: CoStar Property® * Future deliveries based on current under construction buildings.

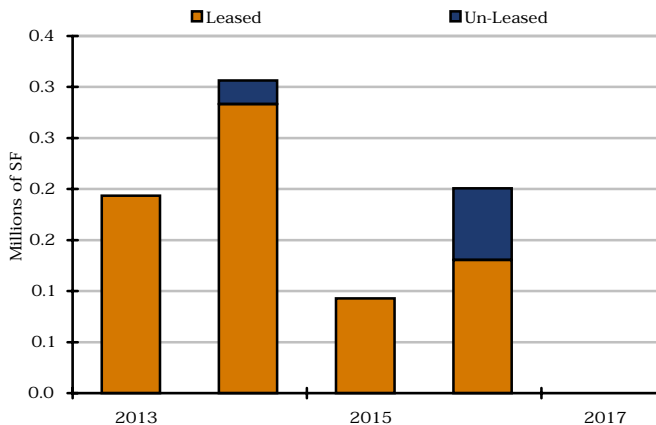
Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U/C
South Outer Lubbock	5	74,257	16,349	22.0%	14,191	14,851
Southwest Inner Loop	0	0	0	0.0%	14,983	0
Downtown Lubbock	0	0	0	0.0%	9,556	0
North Inner Loop	0	0	0	0.0%	7,152	0
North Outer Lubbock	0	0	0	0.0%	17,288	0
Crosby County	0	0	0	0.0%	3,071	0
Southeast Inner Loop	0	0	0	0.0%	8,527	0
Totals	5	74,257	16,349	22.0%	10,663	14,851

Source: CoStar Property®

Recent Deliveries

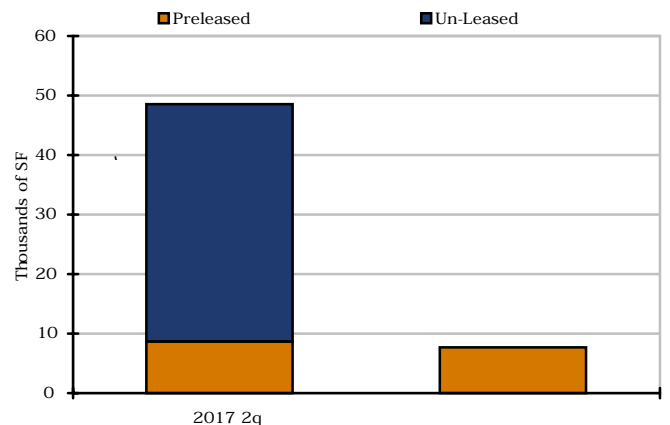
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

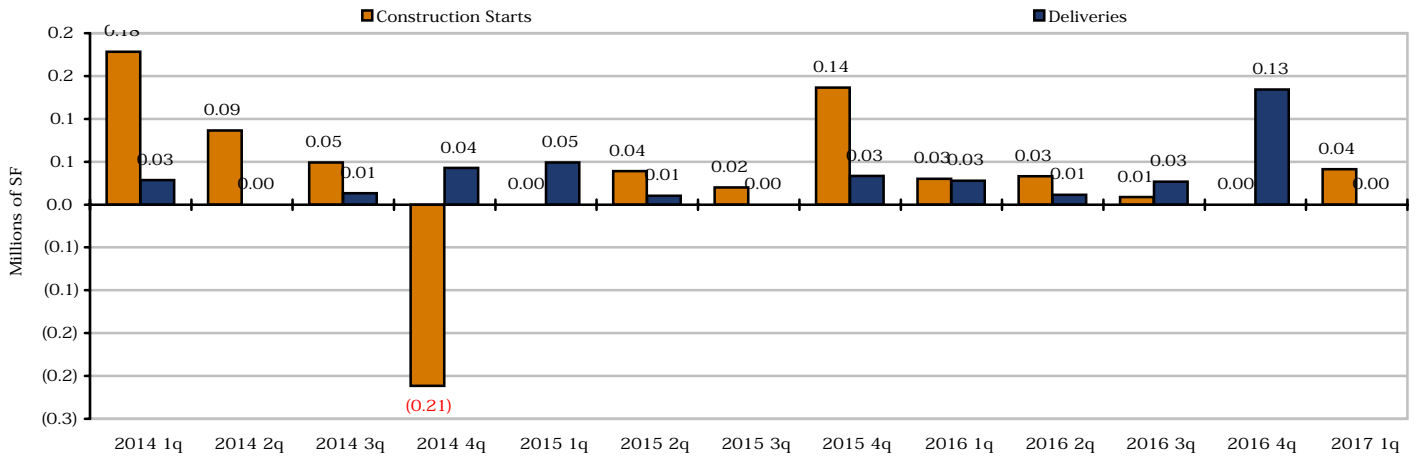
Lubbock Retail Market



Inventory & development

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

Recent Deliveries by Project Size of Year-to-Date Development

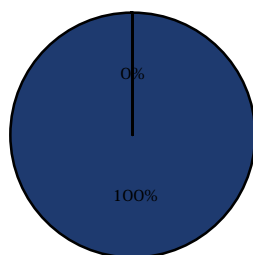
Building Size	# Bldgs	GLA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	0	0	0	0.0%	\$0.00	0	0
50,000 SF - 99,999 SF	0	0	0	0.0%	\$0.00	0	0
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

Source: CoStar Property®

Recent Development by Tenancy

Based on GLA Developed for Single & Multi Tenant Use

No 2017 Deliveries Currently Under Construction

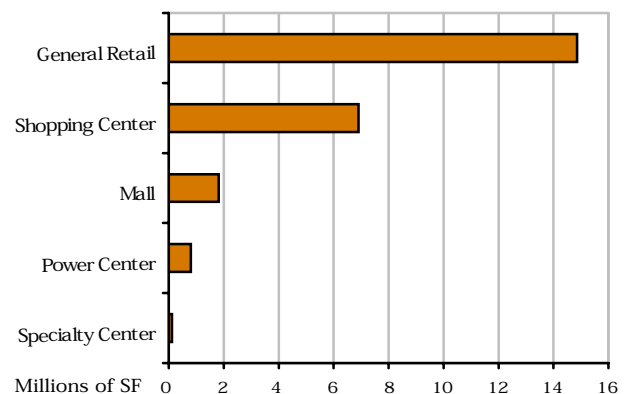


■ Multi ■ Single

Source: CoStar Property®

Existing Inventory Comparison

Based on Total GLA



Source: CoStar Property®

Select Top Under Construction Properties

Based on Project Square Footage

1. 10305 Quaker Ave

Submarket: **South Outer Lubbock Retail Market**
 RBA: **19,212**
 Preleased: **0%**
 Quoted Rate: **\$24.50**
 Grnd Brk Date: **Second Quarter 2016**
 Deliv Date: **Second Quarter 2017**
 Leasing Co: **James Morgan Ltd**
 Developer: **N/A**

2. 111th & Indiana

Submarket: **South Outer Lubbock Retail Market**
 RBA: **18,000**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2017**
 Deliv Date: **First Quarter 2017**
 Leasing Co: **W W Butler**
 Developer: **N/A**

3. 10609 Slide Rd

Submarket: **South Outer Lubbock Retail Market**
 RBA: **15,445**
 Preleased: **56%**
 Quoted Rate: **\$18.72**
 Grnd Brk Date: **First Quarter 2017**
 Deliv Date: **Second Quarter 2017**
 Leasing Co: **Coldwell Banker Commercial Capital**
 Developer: **N/A**

4. The Shoppes on Milwaukee & 68th

Submarket: **South Outer Lubbock Retail Market**
 RBA: **13,900**
 Preleased: **0%**
 Quoted Rate: **\$27.76**
 Grnd Brk Date: **Second Quarter 2016**
 Deliv Date: **Second Quarter 2017**
 Leasing Co: **Egenbacher Real Estate**
 Developer: **N/A**

5. 82nd St & Milwaukee Ave - Firestone

Submarket: **South Outer Lubbock Retail Market**
 RBA: **7,700**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **First Quarter 2017**
 Deliv Date: **Fourth Quarter 2017**
 Leasing Co: **N/A**
 Developer: **N/A**

Lubbock Retail Market



Figures at a Glance

General Retail Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	178	546,678	2,811	2,811	0.5%	1,646	0	0	\$0.00
Downtown Lubbock	177	1,691,350	11,960	11,960	0.7%	(11,960)	0	0	\$11.48
North Inner Loop	323	1,862,742	61,116	61,116	3.3%	(4,383)	0	0	\$14.92
North Outer Lubbock	164	2,216,789	78,426	78,426	3.5%	84,719	0	0	\$17.22
South Outer Lubbock	307	3,309,047	87,744	87,744	2.7%	(16,564)	0	74,257	\$19.79
Southeast Inner Loop	534	3,361,222	215,496	215,496	6.4%	34,065	0	0	\$7.55
Southwest Inner Loop	245	1,869,884	52,379	67,209	3.6%	(2,128)	0	0	\$14.51
Totals	1,928	14,857,712	509,932	524,762	3.5%	85,395	0	74,257	\$16.34

Source: CoStar Property®

Mall Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
North Inner Loop	0	0	0	0	0.0%	0	0	0	\$0.00
North Outer Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
South Outer Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Inner Loop	1	464,347	1,873	1,873	0.4%	1,195	0	0	\$11.62
Southwest Inner Loop	1	1,349,856	56,968	56,968	4.2%	(31,393)	0	0	\$0.00
Totals	2	1,814,203	58,841	58,841	3.2%	(30,198)	0	0	\$11.62

Source: CoStar Property®

Power Center Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
North Inner Loop	0	0	0	0	0.0%	0	0	0	\$0.00
North Outer Lubbock	1	807,832	0	0	0.0%	0	0	0	\$0.00
South Outer Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Inner Loop	0	0	0	0	0.0%	0	0	0	\$0.00
Southwest Inner Loop	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	1	807,832	0	0	0.0%	0	0	0	\$0.00

Source: CoStar Property®

Shopping Center Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
North Inner Loop	39	833,690	49,918	49,918	6.0%	(19,244)	0	0	\$8.09
North Outer Lubbock	14	519,394	49,072	49,072	9.4%	(31,469)	0	0	\$12.72
South Outer Lubbock	48	2,196,930	131,350	146,454	6.7%	47,271	0	0	\$14.79
Southeast Inner Loop	65	1,506,039	103,060	103,060	6.8%	11,623	0	0	\$7.37
Southwest Inner Loop	58	1,848,261	222,548	222,548	12.0%	(82,006)	0	0	\$10.60
Totals	224	6,904,314	555,948	571,052	8.3%	(73,825)	0	0	\$11.64

Source: CoStar Property®



Lubbock Retail Market

Figures at a Glance

Specialty Center Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
North Inner Loop	0	0	0	0	0.0%	0	0	0	\$0.00
North Outer Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
South Outer Lubbock	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Inner Loop	1	32,112	0	0	0.0%	0	0	0	\$0.00
Southwest Inner Loop	1	86,272	0	0	0.0%	0	0	0	\$0.00
Totals	2	118,384	0	0	0.0%	0	0	0	\$0.00

Source: CoStar Property®

Total Retail Market Statistics

First Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Crosby County	178	546,678	2,811	2,811	0.5%	1,646	0	0	\$0.00
Downtown Lubbock	177	1,691,350	11,960	11,960	0.7%	(11,960)	0	0	\$11.48
North Inner Loop	377	2,696,432	111,034	111,034	4.1%	(23,627)	0	0	\$12.50
North Outer Lubbock	205	3,544,015	127,498	127,498	3.6%	53,250	0	0	\$16.08
South Outer Lubbock	388	5,505,977	219,094	234,198	4.3%	30,707	0	74,257	\$16.77
Southeast Inner Loop	629	5,363,720	320,429	320,429	6.0%	46,883	0	0	\$10.06
Southwest Inner Loop	344	5,154,273	331,895	346,725	6.7%	(115,527)	0	0	\$11.72
Totals	2,298	24,502,445	1,124,721	1,154,655	4.7%	(18,628)	0	74,257	\$13.62

Source: CoStar Property®

Lubbock Retail Market



Figures at a Glance

General Retail Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	1,928	14,857,712	509,932	524,762	3.5%	85,395	0	0	5	74,257	\$16.34
2016 4q	1,928	14,857,712	595,327	610,157	4.1%	(190,689)	4	134,371	2	33,112	\$17.11
2016 3q	1,924	14,723,341	270,267	285,097	1.9%	16,575	2	16,707	6	167,483	\$16.16
2016 2q	1,922	14,706,634	270,135	284,965	1.9%	68,586	1	3,500	7	175,390	\$17.09
2016 1q	1,921	14,703,134	332,948	350,051	2.4%	(2,056)	1	20,000	6	145,778	\$17.04
2015 4q	1,920	14,683,134	310,892	327,995	2.2%	12,129	0	0	4	135,820	\$16.98
2015 3q	1,920	14,683,134	323,021	340,124	2.3%	(8,576)	0	0	2	25,500	\$14.50
2015 2q	1,921	14,691,174	320,185	339,588	2.3%	(45,500)	1	10,384	1	5,500	\$14.81
2015 1q	1,920	14,680,790	264,301	283,704	1.9%	24,195	2	49,100	1	10,384	\$13.92
2014	1,918	14,631,690	239,396	258,799	1.8%	291,951	5	63,553	3	59,484	\$13.51
2013	1,909	14,391,354	289,211	310,414	2.2%	134,386	3	35,910	4	41,853	\$8.45
2012	1,903	14,251,587	285,403	305,033	2.1%	123,890	2	46,650	4	119,160	\$7.37
2011	1,900	14,196,617	356,623	373,953	2.6%	106,381	1	13,600	2	46,650	\$7.42
2010	1,893	14,126,356	391,863	410,073	2.9%	105,809	8	45,389	1	13,600	\$7.81
2009	1,880	14,052,047	397,558	441,573	3.1%	19,258	13	105,127	7	42,923	\$8.75
2008	1,868	14,080,242	478,118	489,026	3.5%	(150,781)	8	66,077	6	50,909	\$7.52

Source: CoStar Property®

Mall Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	2	1,814,203	58,841	58,841	3.2%	(30,198)	0	0	0	0	\$11.62
2016 4q	2	1,814,203	28,643	28,643	1.6%	7,317	0	0	0	0	\$8.91
2016 3q	2	1,814,203	35,960	35,960	2.0%	0	0	0	0	0	\$8.91
2016 2q	2	1,814,203	35,960	35,960	2.0%	(3,068)	0	0	0	0	\$8.91
2016 1q	2	1,814,203	32,892	32,892	1.8%	0	0	0	0	0	\$8.58
2015 4q	2	1,814,203	32,892	32,892	1.8%	3,068	0	0	0	0	\$9.03
2015 3q	2	1,814,203	35,960	35,960	2.0%	0	0	0	0	0	\$9.03
2015 2q	2	1,814,203	35,960	35,960	2.0%	0	0	0	0	0	\$9.35
2015 1q	2	1,814,203	35,960	35,960	2.0%	0	0	0	0	0	\$11.00
2014	2	1,814,203	35,960	35,960	2.0%	(3,068)	0	0	0	0	\$11.00
2013	2	1,814,203	32,892	32,892	1.8%	68,587	0	0	0	0	\$8.46
2012	2	1,814,203	101,479	101,479	5.6%	67,036	0	0	0	0	\$8.46
2011	2	1,814,203	168,515	168,515	9.3%	(62,517)	0	0	0	0	\$8.41
2010	2	1,814,203	105,998	105,998	5.8%	31,864	0	0	0	0	\$7.53
2009	2	1,814,203	137,862	137,862	7.6%	(75,533)	0	0	0	0	\$9.66
2008	2	1,814,203	62,329	62,329	3.4%	102,025	0	0	0	0	\$7.04

Source: CoStar Property®

Power Center Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	1	807,832	0	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	1	807,832	0	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	1	807,832	0	0	0.0%	10,010	1	10,010	0	0	\$0.00
2016 2q	1	797,822	0	0	0.0%	8,000	1	8,000	1	10,010	\$0.00
2016 1q	1	789,822	0	0	0.0%	8,000	1	8,000	2	18,010	\$0.00
2015 4q	1	781,822	0	0	0.0%	0	0	0	3	26,010	\$0.00
2015 3q	1	781,822	0	0	0.0%	0	0	0	0	0	\$0.00
2015 2q	1	781,822	0	0	0.0%	0	0	0	0	0	\$0.00
2015 1q	1	781,822	0	0	0.0%	0	0	0	0	0	\$0.00
2014	1	781,822	0	0	0.0%	44,000	0	0	0	0	\$0.00
2013	1	738,822	1,000	1,000	0.1%	(1,000)	0	0	0	0	\$0.00
2012	1	738,822	0	0	0.0%	900	0	0	0	0	\$0.00
2011	1	738,822	900	900	0.1%	(900)	0	0	0	0	\$0.00
2010	1	738,822	0	0	0.0%	1,900	0	0	0	0	\$0.00
2009	1	738,822	1,900	1,900	0.3%	3,104	1	4,404	0	0	\$0.00
2008	1	734,418	600	600	0.1%	110,347	0	0	1	4,404	\$0.00

Source: CoStar Property®



Lubbock Retail Market

Figures at a Glance

Shopping Center Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	224	6,904,314	555,948	571,052	8.3%	(73,825)	0	0	0	0	\$11.64
2016 4q	224	6,904,314	495,227	497,227	7.2%	(31,176)	0	0	0	0	\$11.19
2016 3q	224	6,904,314	464,051	466,051	6.8%	(49,662)	0	0	0	0	\$10.97
2016 2q	224	6,904,314	416,389	416,389	6.0%	(1,010)	0	0	0	0	\$11.09
2016 1q	224	6,904,314	415,379	415,379	6.0%	68,518	0	0	0	0	\$10.66
2015 4q	224	6,904,314	477,405	483,897	7.0%	15,577	1	33,431	0	0	\$10.16
2015 3q	224	6,870,883	459,551	466,043	6.8%	61,824	0	0	1	33,431	\$9.92
2015 2q	224	6,870,883	521,375	527,867	7.7%	18,012	0	0	1	33,431	\$10.44
2015 1q	224	6,870,883	544,379	545,879	7.9%	(28,441)	0	0	0	0	\$9.96
2014	224	6,870,883	515,938	517,438	7.5%	68,218	1	21,000	0	0	\$10.40
2013	223	6,849,883	556,911	564,656	8.2%	(73,653)	1	30,000	0	0	\$10.03
2012	223	6,819,883	451,003	461,003	6.8%	125,183	0	0	0	0	\$10.33
2011	223	6,819,883	574,761	586,186	8.6%	118,790	0	0	0	0	\$10.42
2010	223	6,819,883	692,401	704,976	10.3%	45,900	0	0	0	0	\$11.31
2009	223	6,819,883	739,451	750,876	11.0%	(22,821)	4	70,160	0	0	\$11.59
2008	221	6,749,723	624,835	657,895	9.7%	(40,128)	2	26,208	3	55,160	\$10.86

Source: CoStar Property®

Specialty Center Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	2	118,384	0	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	2	118,384	0	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	2	118,384	0	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	2	118,384	0	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	2	118,384	0	0	0.0%	0	0	0	0	0	\$9.50
2015 4q	2	118,384	0	0	0.0%	0	0	0	0	0	\$9.50
2015 3q	2	118,384	0	0	0.0%	3,216	0	0	0	0	\$9.50
2015 2q	2	118,384	3,216	3,216	2.7%	0	0	0	0	0	\$9.50
2015 1q	2	118,384	3,216	3,216	2.7%	0	0	0	0	0	\$9.50
2014	2	118,384	3,216	3,216	2.7%	925	0	0	0	0	\$9.50
2013	2	118,384	4,141	4,141	3.5%	0	0	0	0	0	\$9.50
2012	2	118,384	4,141	4,141	3.5%	0	0	0	0	0	\$9.50
2011	2	118,384	4,141	4,141	3.5%	(2,341)	0	0	0	0	\$9.50
2010	2	118,384	1,800	1,800	1.5%	(300)	0	0	0	0	\$0.00
2009	2	118,384	1,500	1,500	1.3%	(1,000)	0	1,500	0	0	\$0.00
2008	2	118,384	500	500	0.4%	200	0	0	0	0	\$0.00

Source: CoStar Property®

Total Retail Market Statistics

First Quarter 2017

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2017 1q	2,298	24,502,445	1,124,721	1,154,655	4.7%	(18,628)	0	0	5	74,257	\$13.62
2016 4q	2,298	24,502,445	1,119,197	1,136,027	4.6%	(214,548)	4	134,371	2	33,112	\$13.66
2016 3q	2,294	24,368,074	770,278	787,108	3.2%	(23,077)	3	26,717	6	167,483	\$13.07
2016 2q	2,291	24,341,357	722,484	737,314	3.0%	72,508	2	11,500	8	185,400	\$13.72
2016 1q	2,289	24,329,857	781,219	798,322	3.3%	74,462	2	28,000	8	163,788	\$13.15
2015 4q	2,287	24,301,857	821,189	844,784	3.5%	30,774	1	33,431	7	161,830	\$12.69
2015 3q	2,286	24,268,426	818,532	842,127	3.5%	56,464	0	0	3	58,931	\$11.41
2015 2q	2,287	24,276,466	880,736	906,631	3.7%	(27,488)	1	10,384	2	38,931	\$11.66
2015 1q	2,286	24,266,082	847,856	868,759	3.6%	(4,246)	2	49,100	1	10,384	\$11.39
2014	2,284	24,216,982	794,510	815,413	3.4%	402,026	6	84,553	3	59,484	\$11.56
2013	2,273	23,912,646	884,155	913,103	3.8%	128,320	4	65,910	4	41,853	\$9.36
2012	2,266	23,742,879	842,026	871,656	3.7%	317,009	2	46,650	4	119,160	\$9.19
2011	2,263	23,687,909	1,104,940	1,133,695	4.8%	159,413	1	13,600	2	46,650	\$9.27
2010	2,256	23,617,648	1,192,062	1,222,847	5.2%	185,173	8	45,389	1	13,600	\$10.09
2009	2,243	23,543,339	1,278,271	1,333,711	5.7%	(76,992)	18	179,691	7	42,923	\$10.43
2008	2,226	23,496,970	1,166,382	1,210,350	5.2%	21,663	10	92,285	10	110,473	\$9.44

Source: CoStar Property®

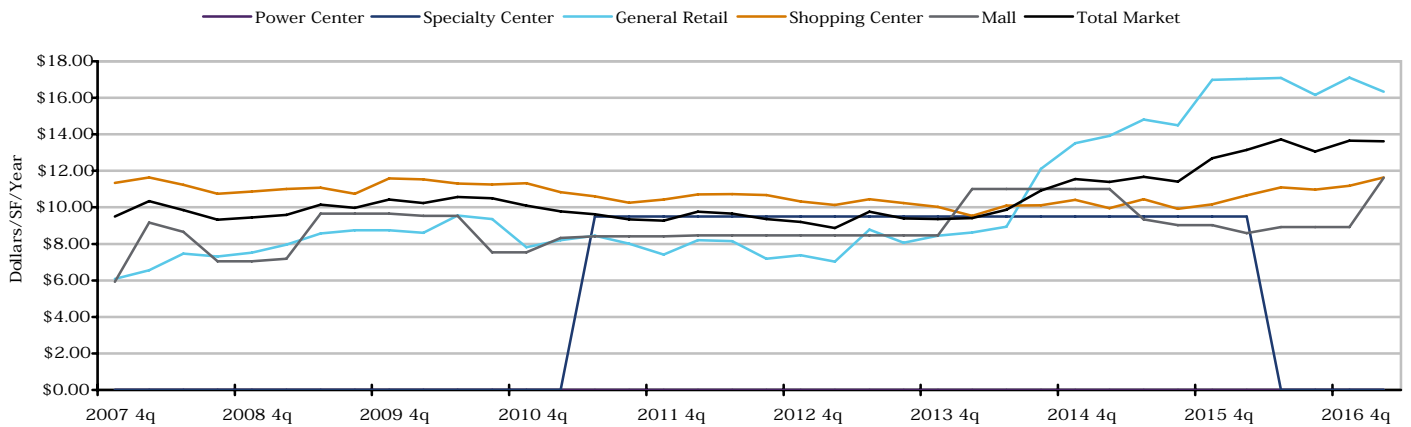
Lubbock Retail Market



Leasing Activity

Historical Rental Rates

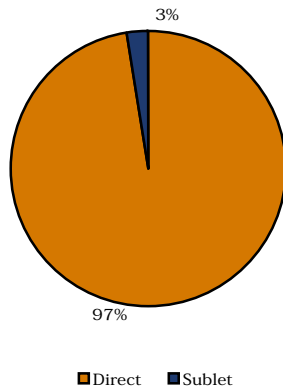
Based on NNN Rental Rates



Source: CoStar Property®

Vacancy by Available Space Type

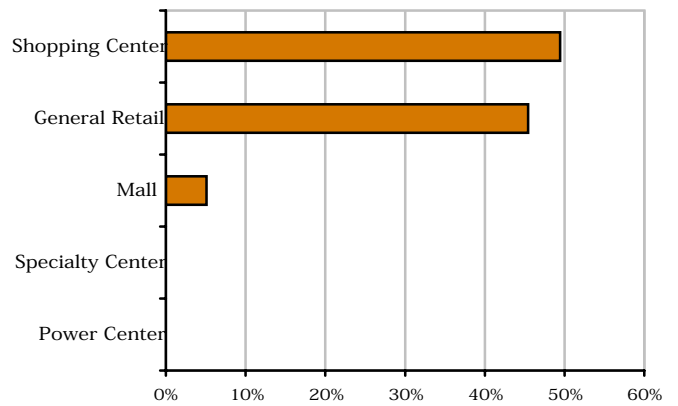
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Building Type

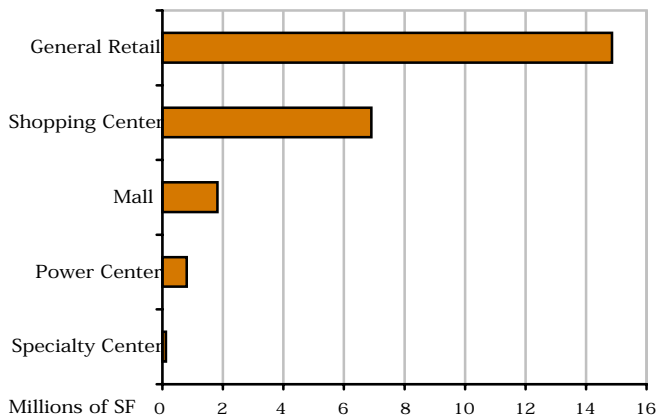
Percent of All Vacant Space by Building Type



Source: CoStar Property®

GLA By Building Type

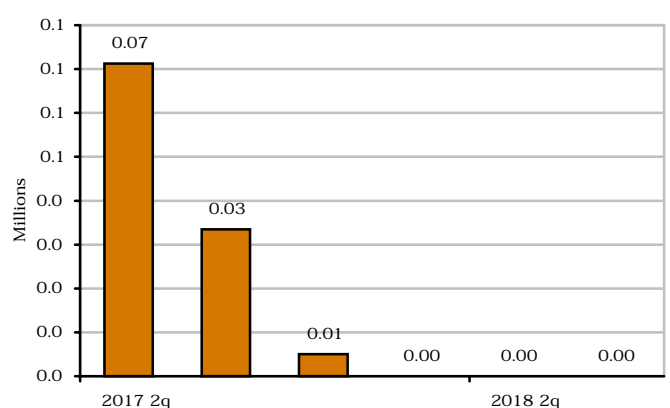
Ratio of Total GLA by Building Type



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



* Includes Under Construction Spaces Source: CoStar Property®



Lubbock Retail Market

Leasing Activity

Select Top Retail Leases Based on Leased Square Footage For Deals Signed in 2017

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	2717 50th St	Southeast Inner Loop	38,084	1st	N/A	N/A	NetCo Investments
2	3511 Avenue Q	Southeast Inner Loop	12,500	1st	N/A	N/A	Westar Commercial Realty
3	Fearless Plaza	North Inner Loop	9,431	1st	N/A	N/A	Egenbacher Real Estate
4	Melonie Square - Building A	South Outer Lubbock	4,480	1st	N/A	N/A	WestMark Commercial
5	1939 Buddy Holly Ave	Southeast Inner Loop	4,380	1st	N/A	N/A	WestMark Commercial
6	4404-B 19th St	North Inner Loop	2,432	1st	N/A	N/A	Wilkerson Investment Co
7	3502 Slide Rd	Southwest Inner Loop	2,425	1st	N/A	N/A	WestMark Commercial
8	7716 Milwaukee Ave	South Outer Lubbock	2,424	1st	The Farmhouse	Coldwell Banker Commercial Capital	Coldwell Banker Commercial Capital
9	Salem Village	South Outer Lubbock	2,372	1st	N/A	N/A	McDougal Commercial Division
10	York Town Plaza	Southwest Inner Loop	2,270	1st	N/A	N/A	WestMark Commercial
11	September Place	South Outer Lubbock	2,005	1st	N/A	N/A	WestMark Commercial
12	3606 E 50th St	Southwest Inner Loop	1,990	1st	N/A	N/A	Westar Commercial Realty
13	Melonie Square - Building B	South Outer Lubbock	1,950	1st	N/A	N/A	WestMark Commercial
14	1409 34th St	Southeast Inner Loop	1,800	1st	N/A	N/A	WestMark Commercial
15	Elgin Retail	Southeast Inner Loop	1,750	1st	N/A	N/A	Westar Commercial Realty
16	Central Park	Southwest Inner Loop	1,743	1st	T Mobile	N/A	Retail Solutions
17	5409 4th St	North Inner Loop	1,680	1st	N/A	N/A	WestMark Commercial
18	The Hub at Milwaukee South - Phase I	South Outer Lubbock	1,628	1st	N/A	N/A	Coldwell Banker Commercial Capital
19	Lubbock Tech Center	North Inner Loop	1,500	1st	Metro PCS	N/A	The Retail Connection; Inroads Real
20	Raintree Plaza	South Outer Lubbock	1,500	1st	N/A	N/A	Coldwell Banker Commercial Capital
21	Melonie Square - Building A	South Outer Lubbock	1,440	1st	N/A	N/A	WestMark Commercial
22	Melonie Square - Building A	South Outer Lubbock	1,325	1st	N/A	N/A	WestMark Commercial
23	Monterey Center	Southeast Inner Loop	1,250	1st	N/A	N/A	Westar Commercial Realty
24	6401 University Ave	Southeast Inner Loop	1,200	1st	N/A	N/A	WestMark Commercial
25	The Village Shopping Center	South Outer Lubbock	1,125	1st	Huntington Learning Center	N/A	Egenbacher Real Estate
26	3502 Slide Rd	Southwest Inner Loop	1,100	1st	N/A	N/A	WestMark Commercial
27	3502 Slide Rd	Southwest Inner Loop	1,100	1st	N/A	N/A	WestMark Commercial
28	3502 Slide Rd	Southwest Inner Loop	1,075	1st	N/A	N/A	WestMark Commercial
29	6002 Slide Rd	Southwest Inner Loop	932	1st	N/A	N/A	The Macerich Company
30	Indiana Gardens Center	Southwest Inner Loop	861	1st	Go Satellite City	Coldwell Banker Commercial Capital	Coldwell Banker Commercial Capital
31	5409 4th St	North Inner Loop	840	1st	N/A	N/A	WestMark Commercial
32	5407 4th St	North Inner Loop	840	1st	N/A	N/A	WestMark Commercial

Source: CoStar Property®

* Renewal

Lubbock Retail Market

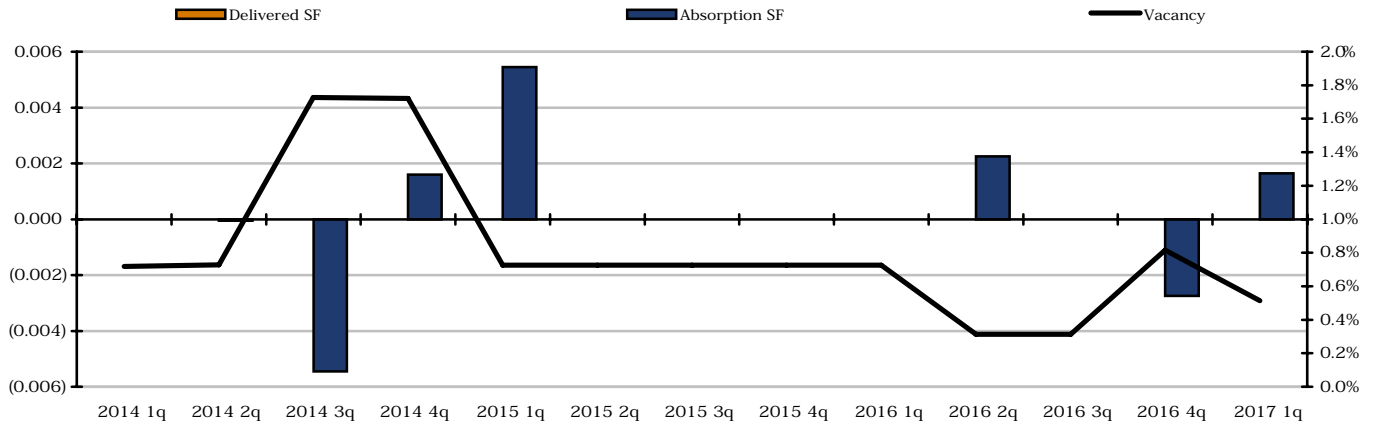


Crosby County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

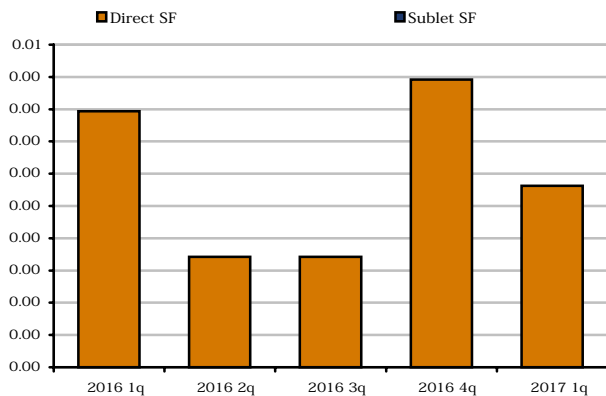
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

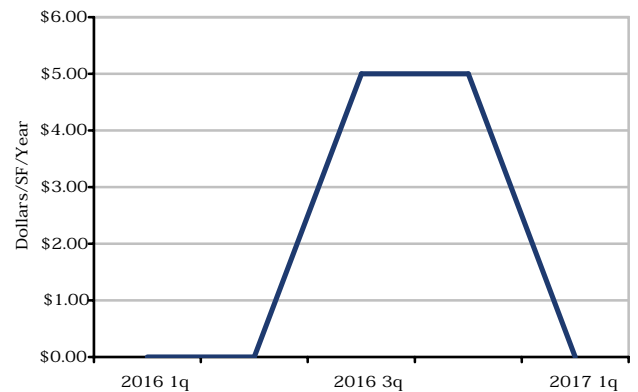
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	178	546,678	2,811	0.5%	1,646	0	0	0	0	\$0.00
2016 4q	178	546,678	4,457	0.8%	(2,746)	0	0	0	0	\$5.00
2016 3q	178	546,678	1,711	0.3%	0	0	0	0	0	\$5.00
2016 2q	178	546,678	1,711	0.3%	2,255	0	0	0	0	\$0.00
2016 1q	178	546,678	3,966	0.7%	0	0	0	0	0	\$0.00
2015 4q	178	546,678	3,966	0.7%	0	0	0	0	0	\$0.00
2015 3q	178	546,678	3,966	0.7%	0	0	0	0	0	\$0.00
2015 2q	178	546,678	3,966	0.7%	0	0	0	0	0	\$0.00
2015 1q	178	546,678	3,966	0.7%	5,445	0	0	0	0	\$0.00
2014 4q	178	546,678	9,411	1.7%	1,600	0	0	0	0	\$0.00
2014 3q	177	545,078	9,411	1.7%	(5,445)	0	0	1	1,600	\$0.00
2014 2q	177	545,078	3,966	0.7%	(50)	0	0	1	1,600	\$0.00
2014 1q	177	545,078	3,916	0.7%	0	0	0	0	0	\$0.00
2013 4q	177	545,078	3,916	0.7%	0	0	0	0	0	\$0.00
2013 3q	177	545,078	3,916	0.7%	0	0	0	0	0	\$0.00
2013 2q	177	545,078	3,916	0.7%	0	0	0	0	0	\$0.00

Source: CoStar Property®



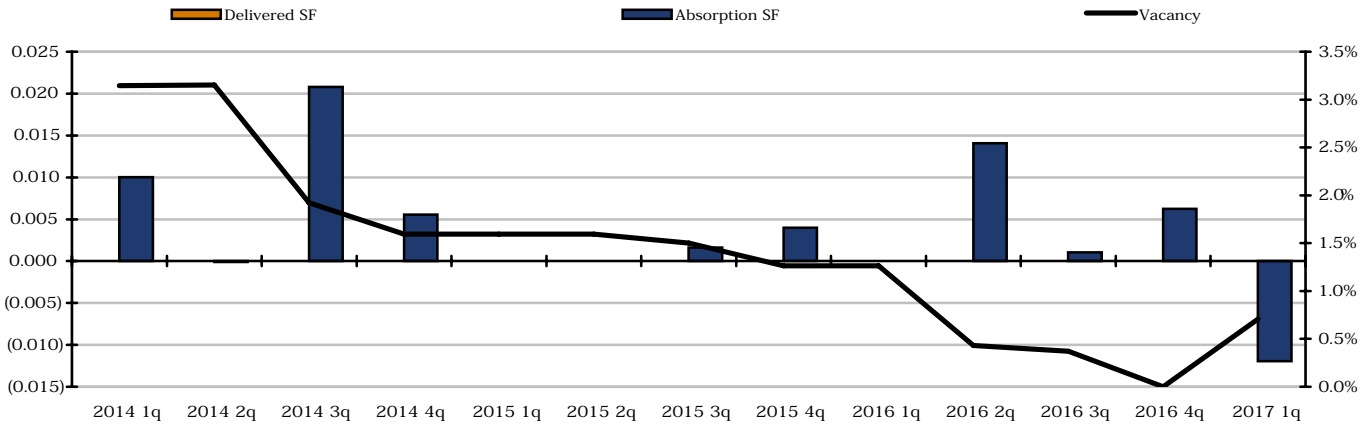
Lubbock Retail Market

Downtown Lubbock Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

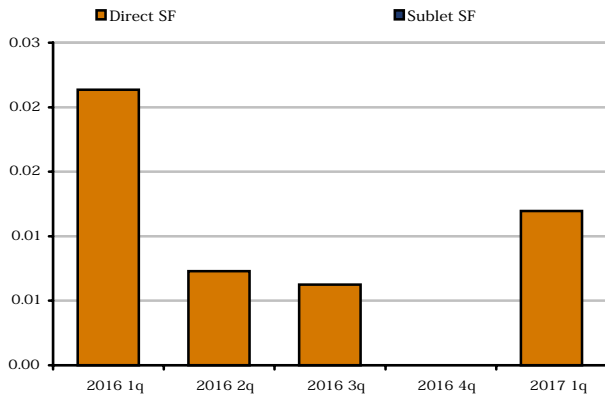
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

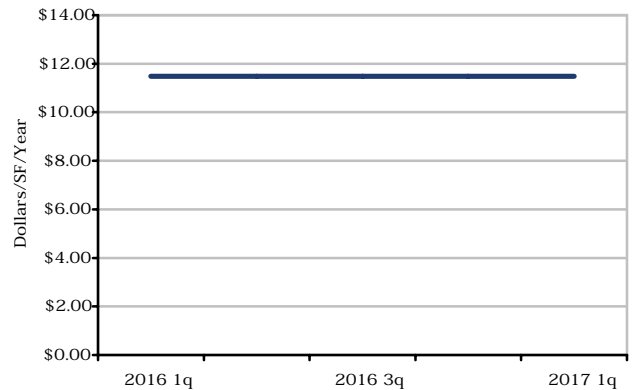
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	177	1,691,350	11,960	0.7%	(11,960)	0	0	0	0	\$11.48
2016 4q	177	1,691,350	0	0.0%	6,250	0	0	0	0	\$11.48
2016 3q	177	1,691,350	6,250	0.4%	1,050	0	0	0	0	\$11.48
2016 2q	177	1,691,350	7,300	0.4%	14,060	0	0	0	0	\$11.48
2016 1q	177	1,691,350	21,360	1.3%	0	0	0	0	0	\$11.48
2015 4q	177	1,691,350	21,360	1.3%	4,000	0	0	0	0	\$11.48
2015 3q	177	1,691,350	25,360	1.5%	1,600	0	0	0	0	\$13.09
2015 2q	177	1,691,350	26,960	1.6%	0	0	0	0	0	\$13.57
2015 1q	177	1,691,350	26,960	1.6%	0	0	0	0	0	\$13.57
2014 4q	177	1,691,350	26,960	1.6%	5,540	0	0	0	0	\$13.57
2014 3q	177	1,691,350	32,500	1.9%	20,806	0	0	0	0	\$13.57
2014 2q	177	1,691,350	53,306	3.2%	(100)	0	0	0	0	\$13.27
2014 1q	177	1,691,350	53,206	3.1%	10,030	0	0	0	0	\$13.27
2013 4q	177	1,691,350	63,236	3.7%	343	0	0	0	0	\$13.27
2013 3q	177	1,691,350	63,579	3.8%	(7,610)	0	0	0	0	\$13.27
2013 2q	177	1,691,350	55,969	3.3%	6,022	0	0	0	0	\$13.27

Source: CoStar Property®

Lubbock Retail Market

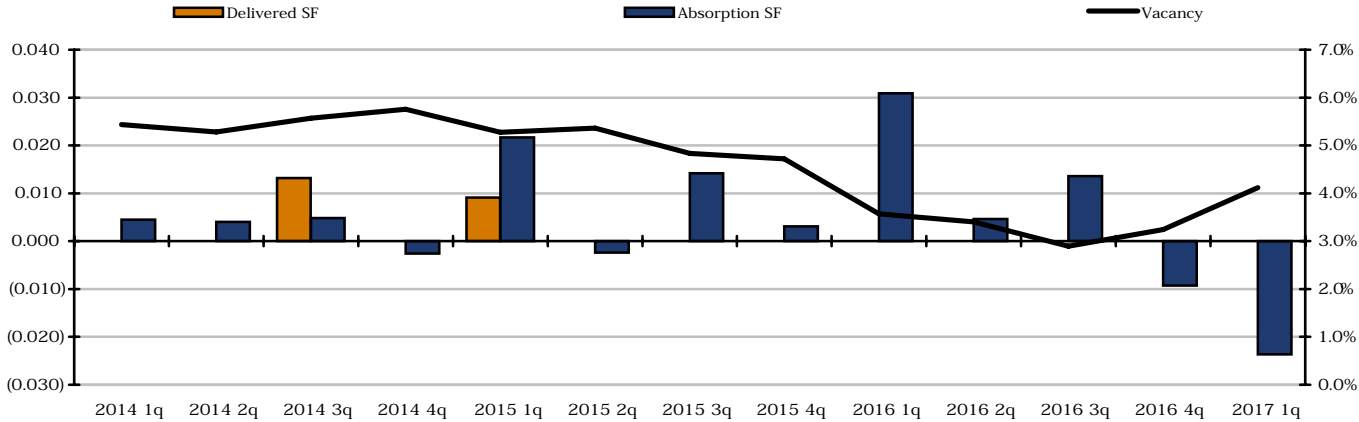


North Inner Loop Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

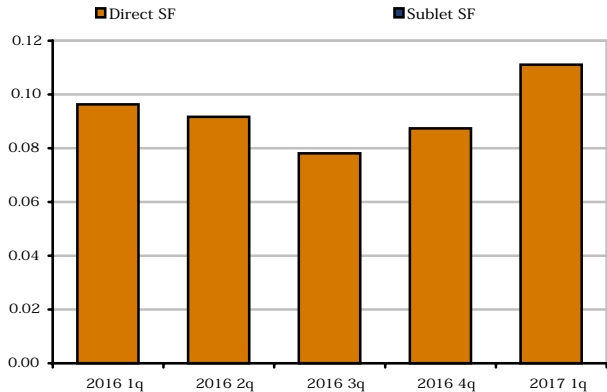
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

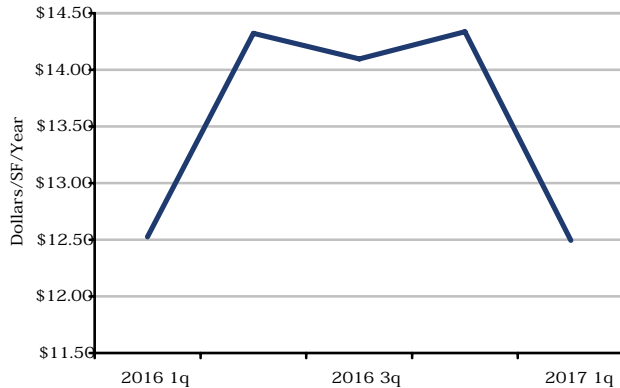
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	377	2,696,432	111,034	4.1%	(23,627)	0	0	0	0	\$12.50
2016 4q	377	2,696,432	87,407	3.2%	(9,280)	0	0	0	0	\$14.34
2016 3q	377	2,696,432	78,127	2.9%	13,570	0	0	0	0	\$14.10
2016 2q	377	2,696,432	91,697	3.4%	4,638	0	0	0	0	\$14.32
2016 1q	377	2,696,432	96,335	3.6%	30,923	0	0	0	0	\$12.53
2015 4q	377	2,696,432	127,258	4.7%	3,106	0	0	0	0	\$11.33
2015 3q	377	2,696,432	130,364	4.8%	14,214	0	0	0	0	\$11.09
2015 2q	377	2,696,432	144,578	5.4%	(2,358)	0	0	0	0	\$11.27
2015 1q	377	2,696,432	142,220	5.3%	21,660	1	9,100	0	0	\$11.82
2014 4q	376	2,687,332	154,780	5.8%	(2,573)	0	0	1	9,100	\$11.99
2014 3q	375	2,684,672	149,547	5.6%	4,842	1	13,200	2	11,760	\$11.42
2014 2q	374	2,671,472	141,189	5.3%	4,000	0	0	2	15,860	\$10.35
2014 1q	374	2,671,472	145,189	5.4%	4,479	0	0	1	13,200	\$10.60
2013 4q	374	2,671,472	149,668	5.6%	3,260	0	0	1	13,200	\$10.33
2013 3q	374	2,671,472	152,928	5.7%	11,902	0	0	1	13,200	\$10.33
2013 2q	374	2,671,472	164,830	6.2%	3,315	0	0	1	13,200	\$10.40

Source: CoStar Property®



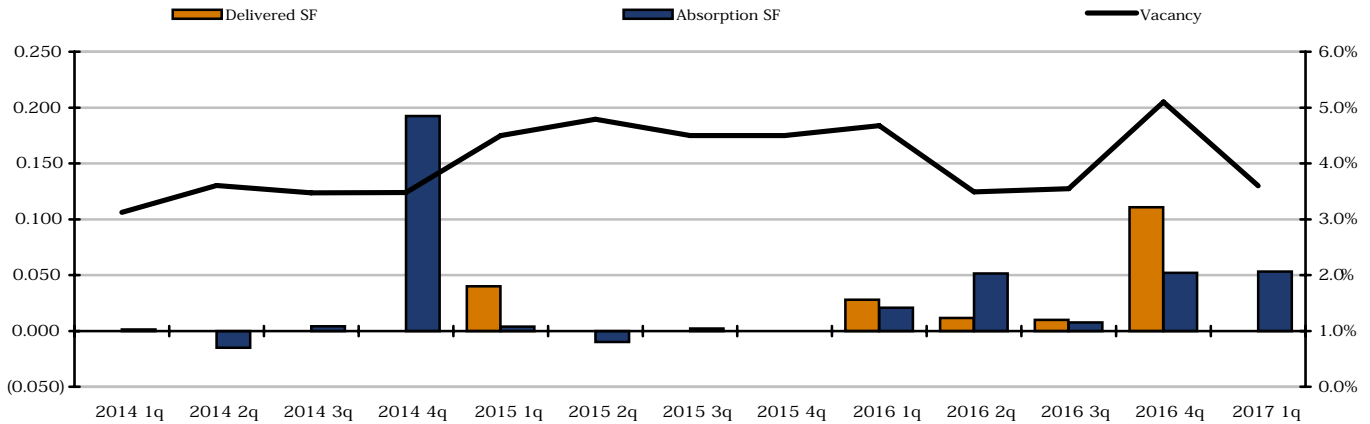
Lubbock Retail Market

North Outer Lubbock Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

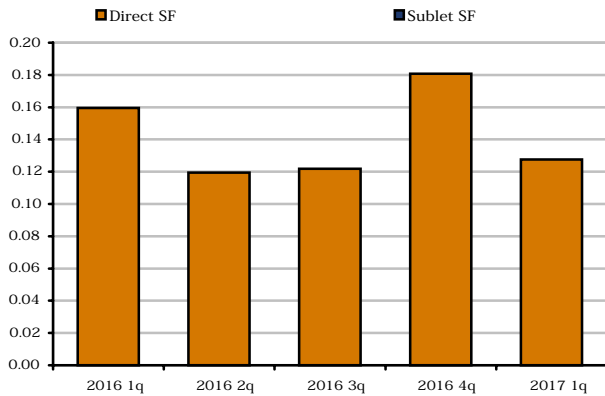
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

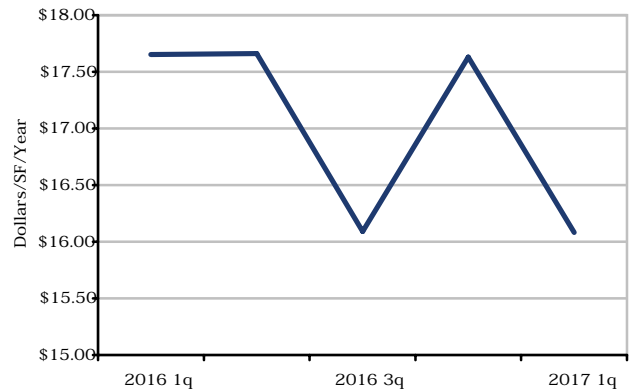
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	205	3,544,015	127,498	3.6%	53,250	0	0	0	0	\$16.08
2016 4q	205	3,544,015	180,748	5.1%	51,928	2	110,800	0	0	\$17.63
2016 3q	203	3,433,215	121,876	3.5%	7,632	1	10,010	2	110,800	\$16.09
2016 2q	202	3,423,205	119,498	3.5%	51,500	2	11,500	2	112,010	\$17.66
2016 1q	200	3,411,705	159,498	4.7%	20,737	2	28,000	4	123,510	\$17.65
2015 4q	198	3,383,705	152,235	4.5%	0	0	0	5	148,010	\$18.03
2015 3q	198	3,383,705	152,235	4.5%	2,166	0	0	1	20,000	\$14.39
2015 2q	199	3,391,745	162,441	4.8%	(9,832)	0	0	0	0	\$14.34
2015 1q	199	3,391,745	152,609	4.5%	3,962	1	40,000	0	0	\$13.87
2014 4q	198	3,351,745	116,571	3.5%	192,314	0	0	1	40,000	\$13.88
2014 3q	196	3,152,250	109,390	3.5%	4,234	0	0	3	239,495	\$13.92
2014 2q	196	3,152,250	113,624	3.6%	(15,167)	0	0	2	199,495	\$9.08
2014 1q	196	3,152,250	98,457	3.1%	1,312	0	0	1	156,495	\$9.13
2013 4q	196	3,152,250	99,769	3.2%	5,425	0	0	0	0	\$9.33
2013 3q	196	3,152,250	105,194	3.3%	22,887	0	0	0	0	\$9.02
2013 2q	195	3,150,585	126,416	4.0%	(27,684)	0	0	1	1,665	\$8.85

Source: CoStar Property®

Lubbock Retail Market

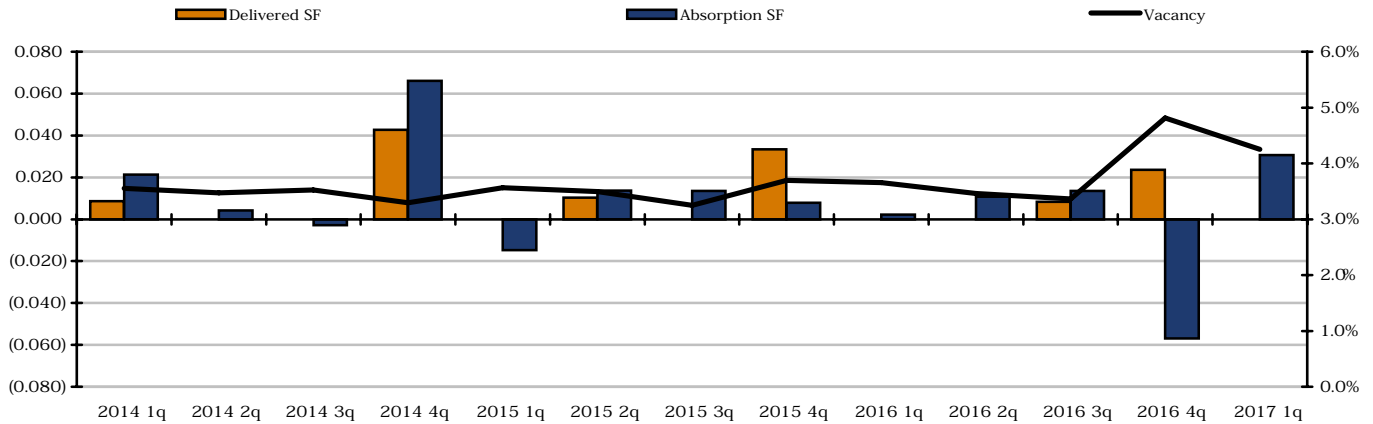


South Outer Lubbock Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

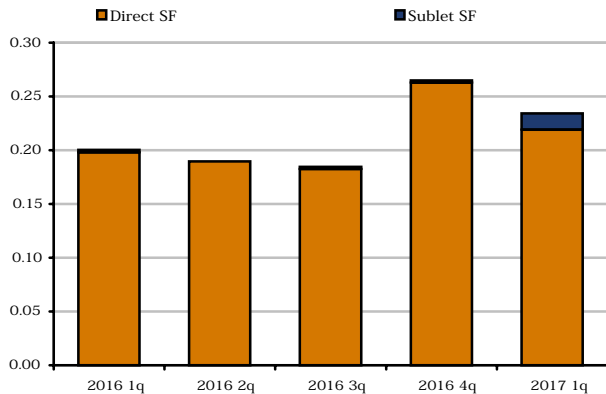
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

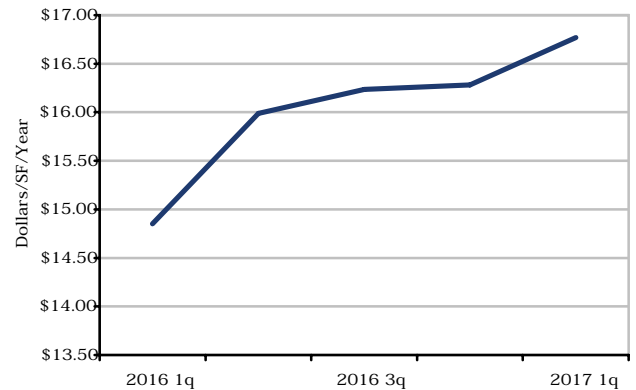
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	388	5,505,977	234,198	4.3%	30,707	0	0	5	74,257	\$16.77
2016 4q	388	5,505,977	264,905	4.8%	(56,925)	2	23,571	2	33,112	\$16.28
2016 3q	386	5,482,406	184,409	3.4%	13,457	1	8,387	4	56,683	\$16.24
2016 2q	385	5,474,019	189,479	3.5%	10,727	0	0	5	65,070	\$15.99
2016 1q	385	5,474,019	200,206	3.7%	2,140	0	0	3	31,958	\$14.85
2015 4q	385	5,474,019	202,346	3.7%	7,874	1	33,431	1	5,500	\$14.46
2015 3q	384	5,440,588	176,789	3.2%	13,539	0	0	2	38,931	\$13.47
2015 2q	384	5,440,588	190,328	3.5%	13,707	1	10,384	2	38,931	\$13.56
2015 1q	383	5,430,204	193,651	3.6%	(14,735)	0	0	1	10,384	\$12.98
2014 4q	383	5,430,204	178,916	3.3%	66,133	2	42,700	1	10,384	\$12.45
2014 3q	381	5,374,676	189,521	3.5%	(2,777)	0	0	3	57,700	\$12.42
2014 2q	381	5,374,676	186,744	3.5%	4,225	0	0	3	57,700	\$13.43
2014 1q	381	5,374,676	190,969	3.6%	21,342	2	8,653	1	21,700	\$12.13
2013 4q	379	5,366,023	203,658	3.8%	58,101	0	0	2	8,653	\$12.08
2013 3q	378	5,326,159	221,895	4.2%	30,900	1	30,000	3	48,517	\$12.20
2013 2q	375	5,283,999	210,635	4.0%	7,074	0	0	4	82,024	\$12.00

Source: CoStar Property®



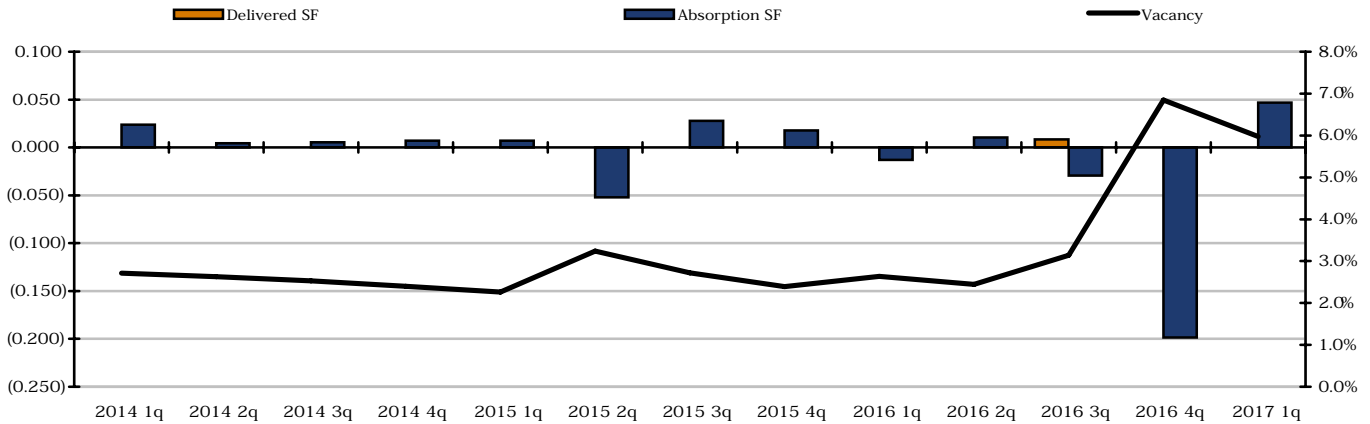
Lubbock Retail Market

Southeast Inner Loop Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

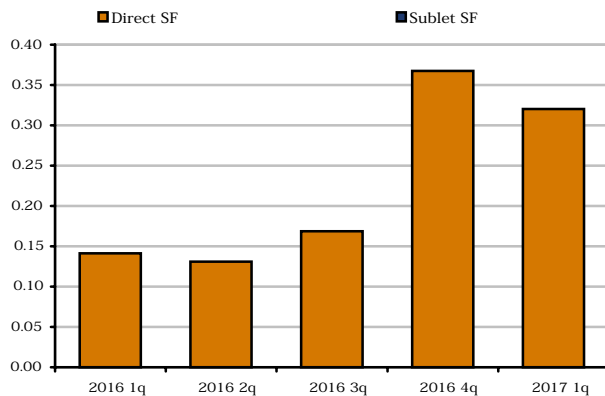
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

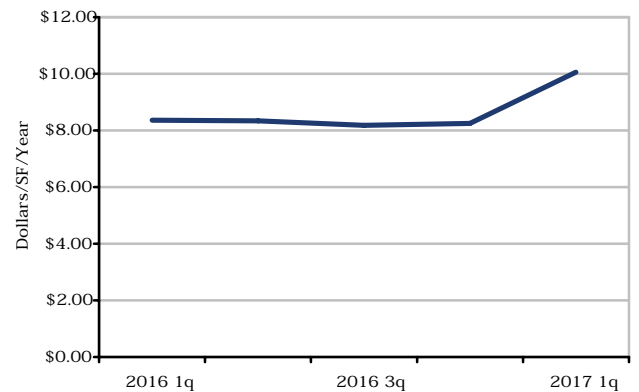
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	629	5,363,720	320,429	6.0%	46,883	0	0	0	0	\$10.06
2016 4q	629	5,363,720	367,312	6.8%	(198,676)	0	0	0	0	\$8.24
2016 3q	629	5,363,720	168,636	3.1%	(29,520)	1	8,320	0	0	\$8.18
2016 2q	628	5,355,400	130,796	2.4%	10,432	0	0	1	8,320	\$8.34
2016 1q	628	5,355,400	141,228	2.6%	(13,150)	0	0	1	8,320	\$8.36
2015 4q	628	5,355,400	128,078	2.4%	17,700	0	0	1	8,320	\$8.68
2015 3q	628	5,355,400	145,778	2.7%	27,688	0	0	0	0	\$8.60
2015 2q	628	5,355,400	173,466	3.2%	(52,170)	0	0	0	0	\$9.43
2015 1q	628	5,355,400	121,296	2.3%	7,014	0	0	0	0	\$9.16
2014 4q	628	5,355,400	128,310	2.4%	7,016	0	0	0	0	\$9.05
2014 3q	628	5,355,400	135,326	2.5%	5,520	0	0	0	0	\$7.95
2014 2q	628	5,355,400	140,846	2.6%	4,348	0	0	0	0	\$7.77
2014 1q	628	5,355,400	145,194	2.7%	23,812	0	0	0	0	\$7.63
2013 4q	628	5,355,400	169,006	3.2%	83,129	0	0	0	0	\$6.73
2013 3q	628	5,355,400	252,135	4.7%	(14,607)	0	0	0	0	\$6.77
2013 2q	628	5,355,400	237,528	4.4%	6,343	0	0	0	0	\$7.05

Source: CoStar Property®

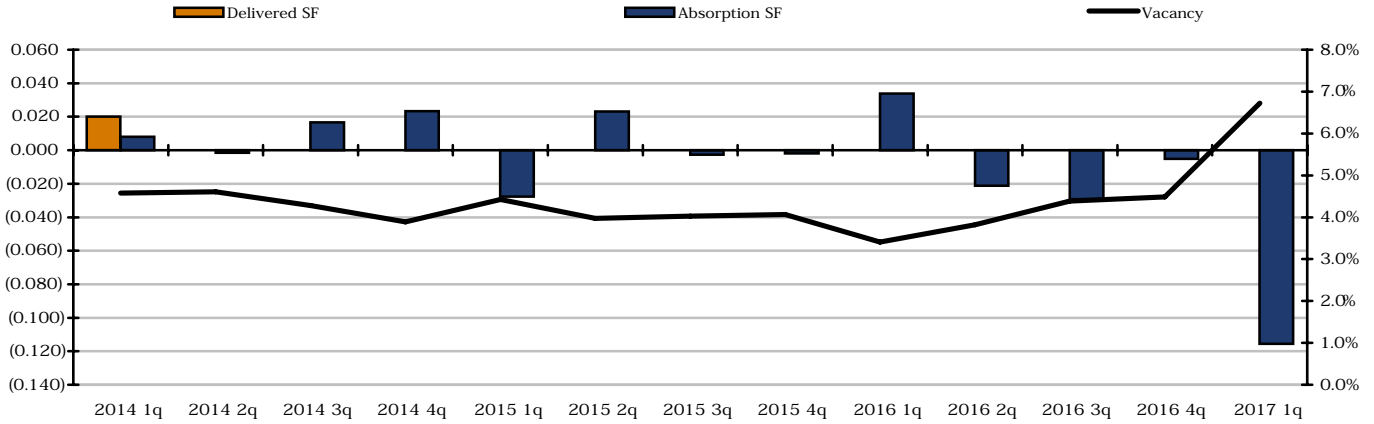
Lubbock Retail Market



Southwest Inner Loop Market Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

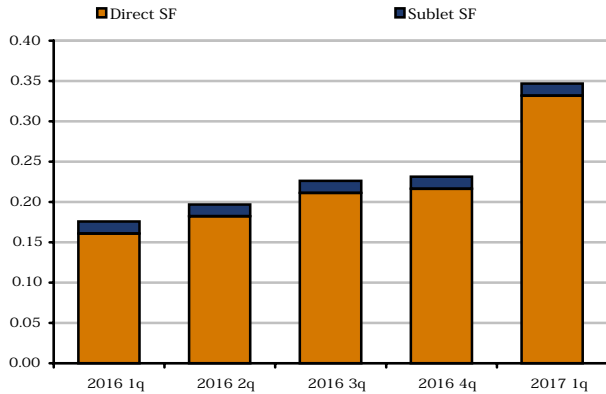
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

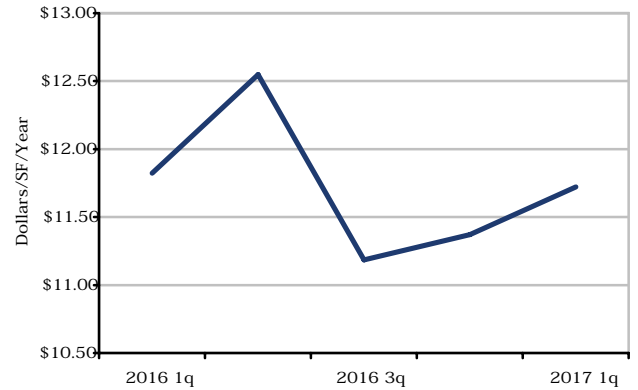
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2017 1q	344	5,154,273	346,725	6.7%	(115,527)	0	0	0	0	\$11.72
2016 4q	344	5,154,273	231,198	4.5%	(5,099)	0	0	0	0	\$11.37
2016 3q	344	5,154,273	226,099	4.4%	(29,266)	0	0	0	0	\$11.19
2016 2q	344	5,154,273	196,833	3.8%	(21,104)	0	0	0	0	\$12.55
2016 1q	344	5,154,273	175,729	3.4%	33,812	0	0	0	0	\$11.82
2015 4q	344	5,154,273	209,541	4.1%	(1,906)	0	0	0	0	\$10.16
2015 3q	344	5,154,273	207,635	4.0%	(2,743)	0	0	0	0	\$10.14
2015 2q	344	5,154,273	204,892	4.0%	23,165	0	0	0	0	\$10.22
2015 1q	344	5,154,273	228,057	4.4%	(27,592)	0	0	0	0	\$9.44
2014 4q	344	5,154,273	200,465	3.9%	23,284	0	0	0	0	\$10.81
2014 3q	343	5,151,073	220,549	4.3%	16,660	0	0	1	3,200	\$10.45
2014 2q	343	5,151,073	237,209	4.6%	(1,445)	0	0	1	3,200	\$9.63
2014 1q	343	5,151,073	235,764	4.6%	8,086	1	20,000	0	0	\$9.41
2013 4q	342	5,131,073	223,850	4.4%	30,451	1	7,500	1	20,000	\$9.37
2013 3q	340	5,120,383	243,611	4.8%	(16,686)	0	0	3	30,690	\$9.37
2013 2q	339	5,049,633	156,175	3.1%	5,151	0	0	4	101,440	\$10.64

Source: CoStar Property®