



# MARKET TRENDS

## LITTLE ROCK OFFICE

Xceligent

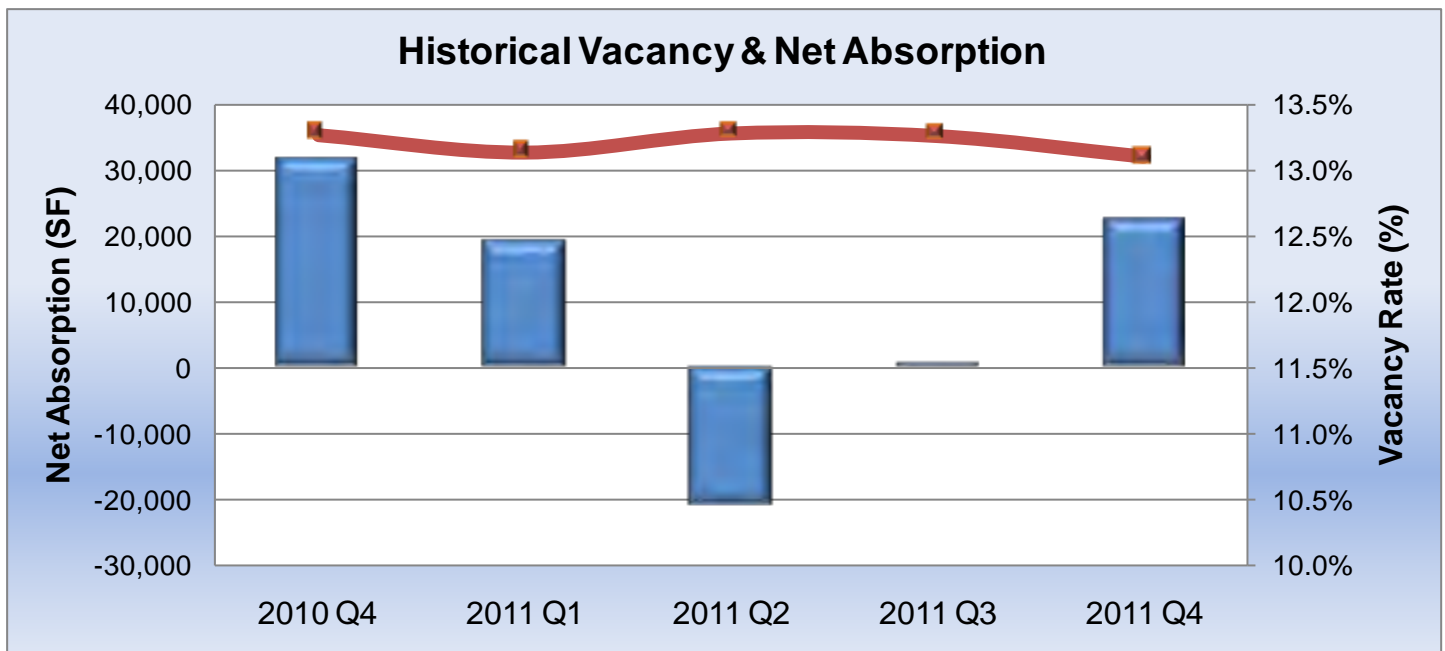
4th Quarter 2011

\$250

### Market Highlights

- The Office sector continues to remain relatively flat, in terms of Total Vacancy Rate.
- The Net Absorption was over 21,000 SF for the year and over 22,000 for the quarter.
- Class B properties reflected over 43,000 SF of negative absorption for the year.
- The West market area had over 28,000 SF of positive absorption this quarter.

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)
A	38	5,324,981	744,040	672,809	12.6%	622,809	11.7%	50,000	25,993	35,149
B	161	6,922,163	955,362	711,983	10.3%	683,826	9.9%	28,157	(12,250)	(43,453)
C	66	1,694,867	488,884	441,885	26.1%	441,885	26.1%	0	8,815	29,592
<b>Grand Total</b>	<b>265</b>	<b>13,942,011</b>	<b>2,188,286</b>	<b>1,826,677</b>	<b>13.1%</b>	<b>1,748,520</b>	<b>12.5%</b>	<b>78,157</b>	<b>22,558</b>	<b>21,288</b>



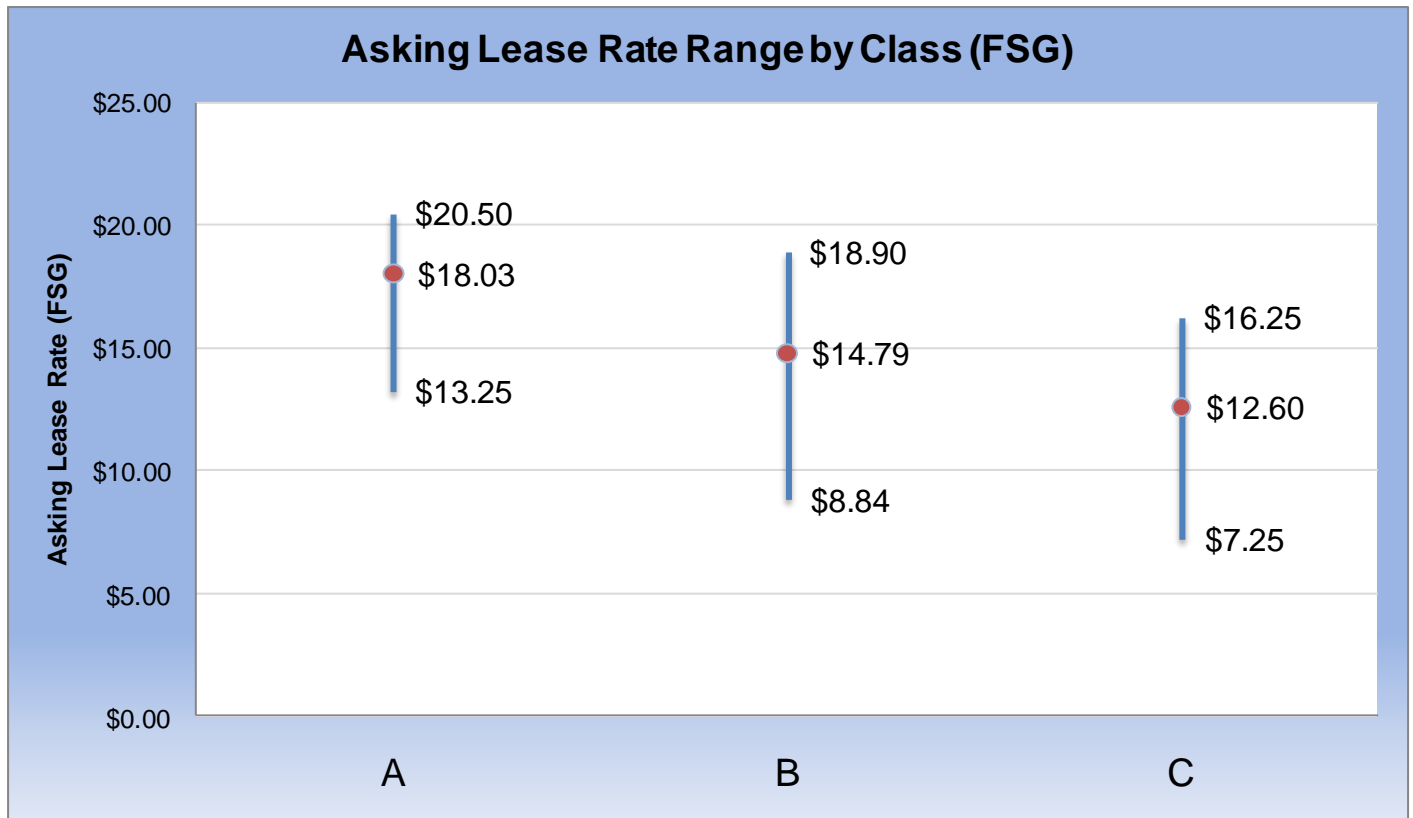
## Market Snapshot

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)
<b>Downtown</b>	<b>79</b>	<b>6,538,170</b>	<b>1,133,508</b>	<b>1,048,905</b>	<b>16.0%</b>	<b>993,205</b>	<b>15.2%</b>	<b>55,700</b>	<b>8,573</b>	<b>(7,877)</b>
A	9	2,636,353	342,079	314,475	11.9%	264,475	10.0%	50,000	2,184	(11,297)
B	46	3,002,142	404,887	390,887	13.0%	385,187	12.8%	5,700	1,587	(1,669)
C	24	899,675	386,542	343,543	38.2%	343,543	38.2%	0	4,802	5,089
<b>West</b>	<b>68</b>	<b>3,661,183</b>	<b>443,410</b>	<b>275,020</b>	<b>7.5%</b>	<b>275,020</b>	<b>7.5%</b>	<b>0</b>	<b>(162)</b>	<b>28,607</b>
A	21	1,759,474	212,673	169,046	9.6%	169,046	9.6%	0	22,078	31,939
B	44	1,836,294	230,737	105,974	5.8%	105,974	5.8%	0	(22,240)	(3,332)
C	3	65,415	0	0	0.0%	0	0.0%	0	0	0
<b>Midtown</b>	<b>40</b>	<b>1,940,784</b>	<b>396,359</b>	<b>304,237</b>	<b>15.7%</b>	<b>304,237</b>	<b>15.7%</b>	<b>0</b>	<b>(728)</b>	<b>(15,041)</b>
A	7	835,154	189,288	189,288	22.7%	189,288	22.7%	0	1,731	14,507
B	24	916,755	137,649	45,527	5.0%	45,527	5.0%	0	(807)	(23,426)
C	9	188,875	69,422	69,422	36.8%	69,422	36.8%	0	(1,652)	(6,122)
<b>North Little Rock</b>	<b>29</b>	<b>681,299</b>	<b>28,346</b>	<b>27,852</b>	<b>4.1%</b>	<b>27,852</b>	<b>4.1%</b>	<b>0</b>	<b>5,260</b>	<b>5,204</b>
B	25	615,509	28,346	27,852	4.5%	27,852	4.5%	0	5,260	5,204
C	4	65,790	0	0	0.0%	0	0.0%	0	0	0
<b>South</b>	<b>29</b>	<b>555,679</b>	<b>79,840</b>	<b>75,840</b>	<b>13.6%</b>	<b>75,840</b>	<b>13.6%</b>	<b>0</b>	<b>5,665</b>	<b>6,745</b>
B	8	168,550	46,920	46,920	27.8%	46,920	27.8%	0	0	(23,880)
C	21	387,129	32,920	28,920	7.5%	28,920	7.5%	0	5,665	30,625
<b>Sherwood</b>	<b>7</b>	<b>269,930</b>	<b>80,573</b>	<b>80,573</b>	<b>29.8%</b>	<b>58,116</b>	<b>21.5%</b>	<b>22,457</b>	<b>0</b>	<b>(300)</b>
B	6	259,790	80,573	80,573	31.0%	58,116	22.4%	22,457	0	(300)
C	1	10,140	0	0	0.0%	0	0.0%	0	0	0
<b>Maumelle</b>	<b>9</b>	<b>157,359</b>	<b>26,250</b>	<b>14,250</b>	<b>9.1%</b>	<b>14,250</b>	<b>9.1%</b>	<b>0</b>	<b>3,950</b>	<b>3,950</b>
B	6	89,916	26,250	14,250	15.8%	14,250	15.8%	0	3,950	3,950
C	3	67,443	0	0	0.0%	0	0.0%	0	0	0
<b>East</b>	<b>2</b>	<b>114,735</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>
A	1	94,000	0	0	0.0%	0	0.0%	0	0	0
B	1	20,735	0	0	0.0%	0	0.0%	0	0	0
<b>Jacksonville</b>	<b>1</b>	<b>12,472</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>
B	1	12,472	0	0	0.0%	0	0.0%	0	0	0
<b>Southwest</b>	<b>1</b>	<b>10,400</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>
C	1	10,400	0	0	0.0%	0	0.0%	0	0	0
<b>Grand Total</b>	<b>265</b>	<b>13,942,011</b>	<b>2,188,286</b>	<b>1,826,677</b>	<b>13.1%</b>	<b>1,748,520</b>	<b>12.5%</b>	<b>78,157</b>	<b>22,558</b>	<b>21,288</b>

# Historical Snapshot

	Direct Vacancy Rate %					Asking Direct Lease Rate (FSG)				
	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4
<b>Downtown</b>	<b>15.1%</b>	<b>15.1%</b>	<b>15.5%</b>	<b>15.3%</b>	<b>15.2%</b>	<b>\$13.82</b>	<b>\$13.81</b>	<b>\$13.82</b>	<b>\$14.64</b>	<b>\$14.25</b>
A	9.6%	9.5%	10.3%	10.1%	10.0%	\$15.30	\$15.38	\$15.38	\$16.70	\$16.20
B	12.8%	12.9%	13.2%	12.9%	12.8%	\$12.76	\$12.70	\$12.91	\$13.32	\$12.84
C	38.8%	38.7%	38.6%	38.7%	38.2%	\$14.88	\$14.50	\$14.29	\$14.47	\$14.55
<b>West</b>	<b>8.2%</b>	<b>8.2%</b>	<b>7.9%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>\$17.37</b>	<b>\$17.51</b>	<b>\$17.31</b>	<b>\$17.36</b>	<b>\$17.41</b>
A	11.3%	11.2%	11.2%	10.9%	9.6%	\$18.69	\$18.76	\$18.76	\$18.76	\$18.76
B	5.6%	5.6%	4.9%	4.6%	5.8%	\$15.96	\$16.16	\$15.85	\$15.74	\$15.72
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Midtown</b>	<b>14.9%</b>	<b>14.7%</b>	<b>15.0%</b>	<b>15.6%</b>	<b>15.7%</b>	<b>\$15.48</b>	<b>\$15.48</b>	<b>\$15.31</b>	<b>\$15.42</b>	<b>\$15.38</b>
A	24.4%	22.9%	22.9%	22.9%	22.7%	\$18.13	\$18.00	\$18.00	\$18.00	\$0.00
B	2.4%	2.8%	3.4%	4.7%	5.0%	\$15.83	\$15.94	\$15.99	\$16.07	\$16.48
C	33.5%	35.9%	35.9%	35.9%	36.8%	\$12.67	\$13.25	\$12.17	\$12.17	\$12.63
<b>North Little Rock</b>	<b>4.9%</b>	<b>6.1%</b>	<b>6.1%</b>	<b>4.9%</b>	<b>4.1%</b>	<b>\$13.03</b>	<b>\$13.28</b>	<b>\$13.05</b>	<b>\$12.89</b>	<b>\$13.14</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	5.4%	6.7%	6.8%	5.4%	4.5%	\$13.03	\$13.28	\$13.05	\$12.89	\$13.14
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>South</b>	<b>15.3%</b>	<b>10.7%</b>	<b>10.9%</b>	<b>14.7%</b>	<b>13.6%</b>	<b>\$9.65</b>	<b>\$9.65</b>	<b>\$10.48</b>	<b>\$10.48</b>	<b>\$9.60</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	15.2%	15.2%	15.2%	27.8%	27.8%	\$8.00	\$8.00	\$0.00	\$0.00	\$0.00
C	15.4%	8.9%	9.2%	8.9%	7.5%	\$10.48	\$10.48	\$10.48	\$10.48	\$9.60
<b>Sherwood</b>	<b>21.4%</b>	<b>21.4%</b>	<b>21.0%</b>	<b>21.5%</b>	<b>21.5%</b>	<b>\$15.25</b>	<b>\$15.25</b>	<b>\$15.25</b>	<b>\$15.25</b>	<b>\$15.25</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	22.3%	22.3%	21.8%	22.4%	22.4%	\$15.25	\$15.25	\$15.25	\$15.25	\$15.25
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Maumelle</b>	<b>11.6%</b>	<b>11.6%</b>	<b>11.6%</b>	<b>11.6%</b>	<b>9.1%</b>	<b>\$14.50</b>	<b>\$14.50</b>	<b>\$14.50</b>	<b>\$14.50</b>	<b>\$14.75</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	20.2%	20.2%	20.2%	20.2%	15.8%	\$14.50	\$14.50	\$14.50	\$14.50	\$14.75
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>East</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Jacksonville</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Southwest</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Grand Total</b>	<b>12.7%</b>	<b>12.5%</b>	<b>12.7%</b>	<b>12.7%</b>	<b>12.5%</b>	<b>\$15.30</b>	<b>\$15.33</b>	<b>\$15.33</b>	<b>\$15.56</b>	<b>\$15.46</b>

## Lease Rates

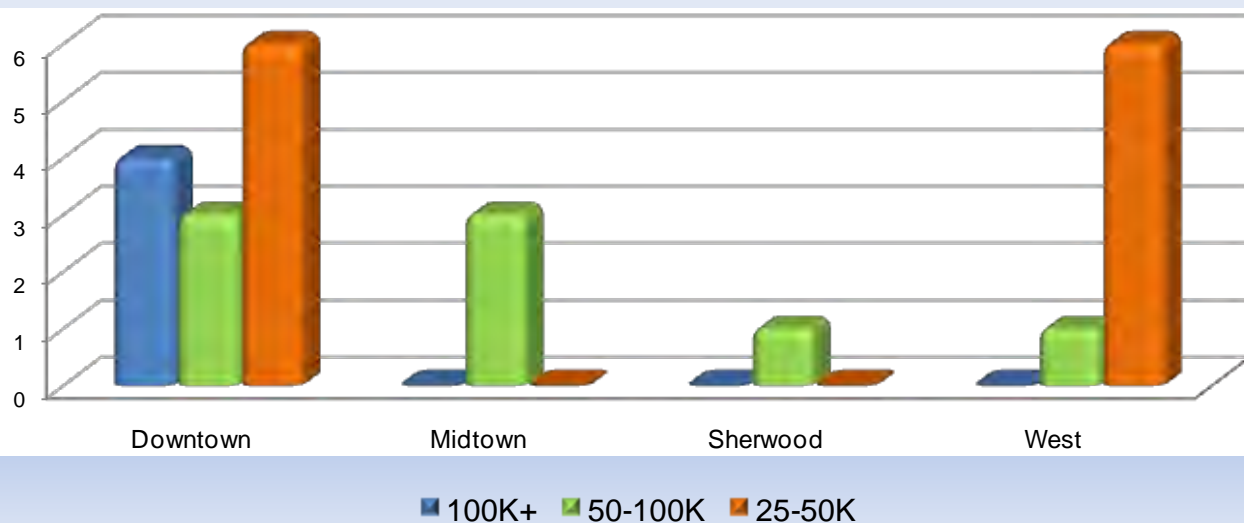


## Largest Changes in Occupancy

Property Name	SF Occupied or Vacated	Company Name	Market	Building Class
Two Financial Centre	18,912	Riggs Tractor	West	A
Rockbridge	5,665	Centre for the Dansarts, Personal Injury Consultants	South	C
Sedgwick Centre	4,815	Parkview Christian Church	West	B
Euronet	3,166	Stifel Nicolaus & Company	West	A
333 Executive Ct	-23,635	Market Insights	West	B

## Available Space by Size

### Largest Blocks of Available Space



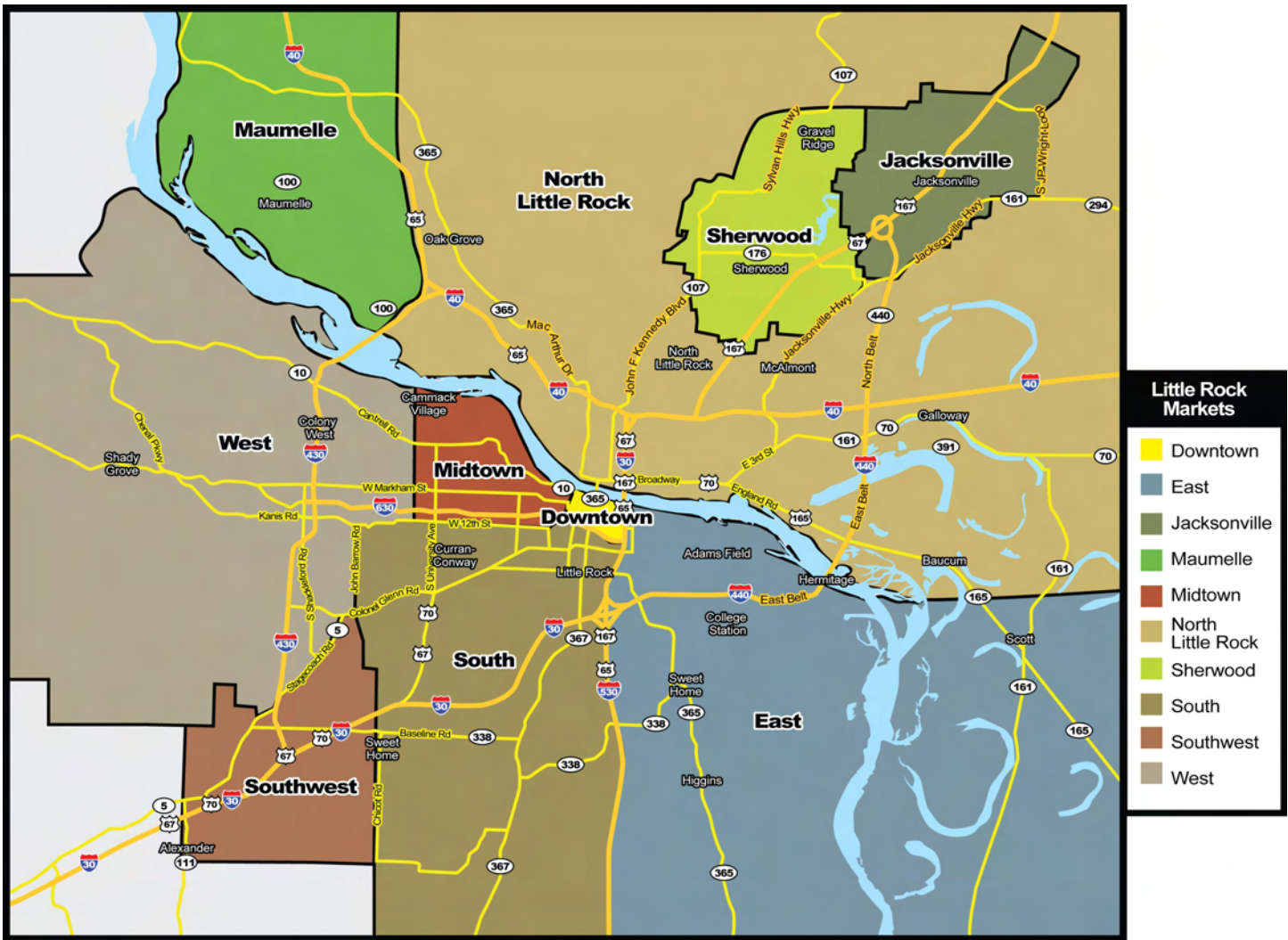
## Available Space Historical Comparisons

Quarter	100K+	50-100K	25-50K
2010 Q4	3	7	10
2011 Q1	2	9	12
2011 Q2	3	8	13
2011 Q3	3	9	12
2011 Q4	4	8	12

## Notable Transactions

Property Name	SF Leased or Sold	Company Name	Market	Building Class	Lease/Sale
Two Financial Centre	18,912	Riggs Tractor	West	A	Lease
Rockbridge	5,665	Centre for the Dansarts, Personal Injury Consultants	South	C	Lease
Sedgwick Centre	4,815	Parkview Christian Church	West	B	Lease
Euronet	3,166	Stifel Nicolaus & Company	West	A	Lease

# Market



## Terminology

**Inventory** - The total square feet of all single and multi tenant office properties above 10,000 square feet that is not predominantly medical, including owner occupied properties.

**Occupied SF**- The total amount of square feet leased and utilized by tenants.

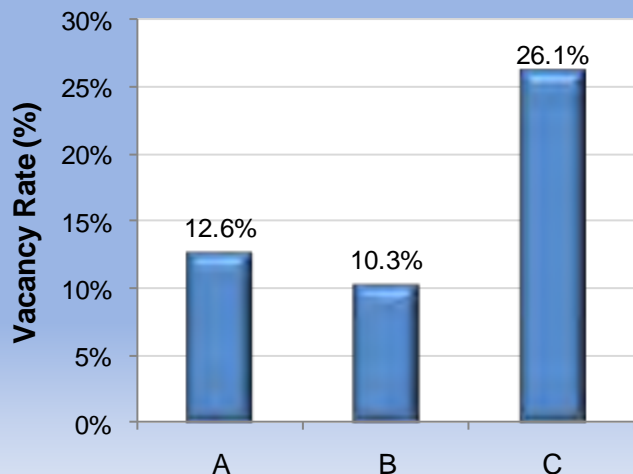
**Vacant SF** - Space that is not currently occupied.

**Vacancy Rate** - Percentage of space in the market that is not currently occupied. (Vacant square feet divided by inventory)

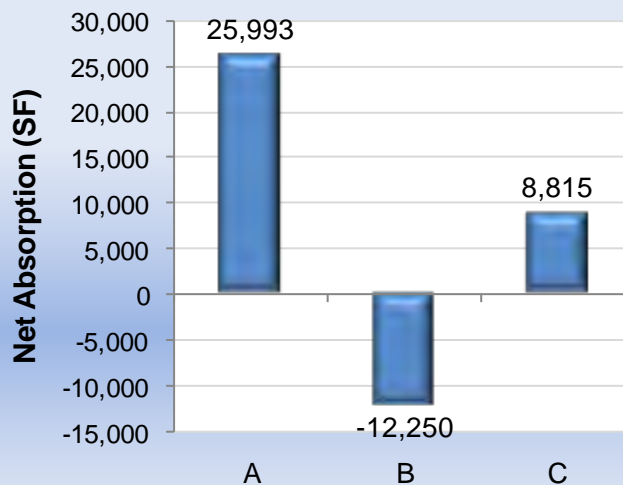


## Vacancy & Absorption Trends

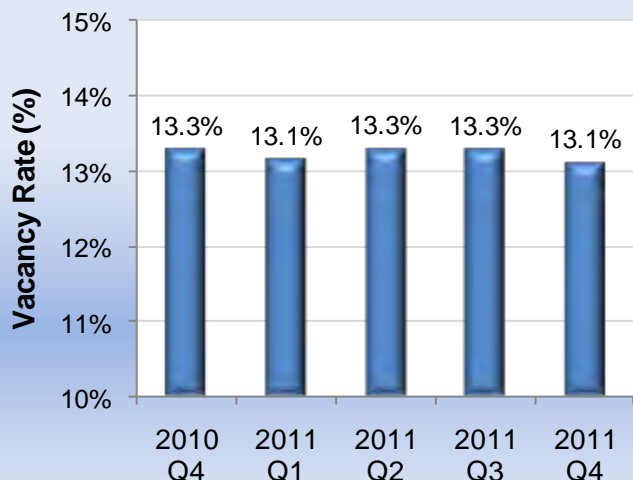
### Vacancy Rate by Class



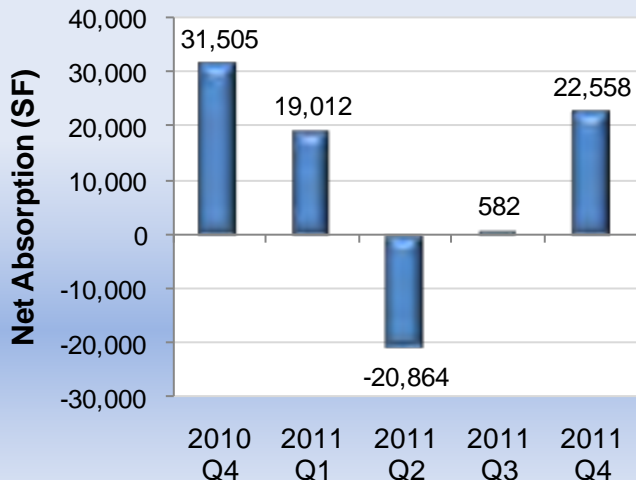
### Net Absorption by Class



### Vacancy Rate by Quarter



### Net Absorption by Quarter



This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.

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