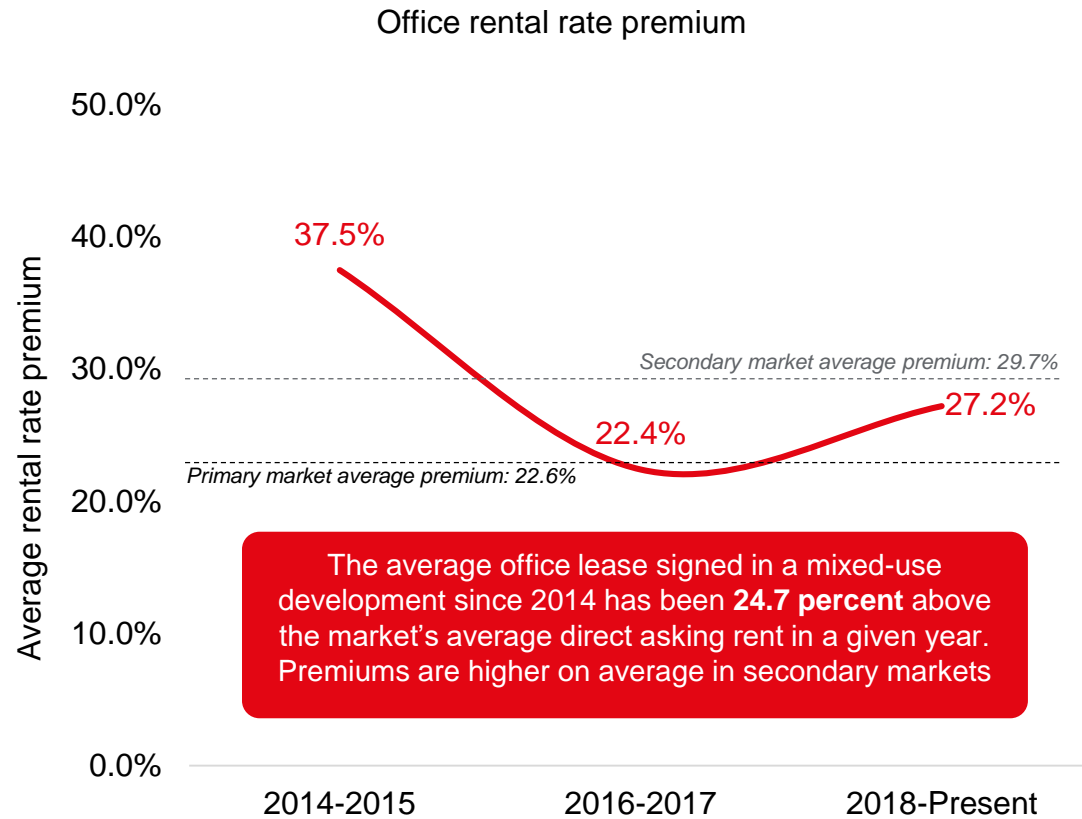


Mixed-use developments see notable office leasing premium which increases further with addition of other components



Office assets in mixed-use projects generate a significant rental premium, and addition of other components that provide amenities to office workers lead to incremental premiums, on average



Office leasing premium for mixed-use assets		
Office in mixed-use development	+24.7%	Premium over baseline:
Office in mixed-use development with green space	+27.5%	+2.8 pct pts
Office in mixed-use development with hotel component	+29.8%	+5.1 pct pts
Office in mixed-use development with significant retail component (>20%)	+32.5%	+7.8 pct pts
Office in transit-oriented mixed-use development	+34.0%	+9.3 pct pts

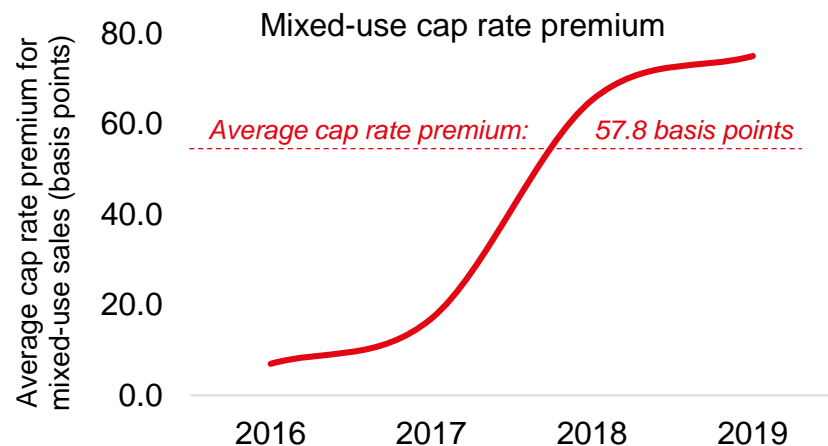
Source: JLL Research

Note: Only includes properties that have been completed

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Mixed-use assets see premium pricing when brought to market

Demand for live/work/play allows mixed-use assets to command lower cap rates compared to their market, and investors demonstrate increasing interest in buying larger components of the developments



Office

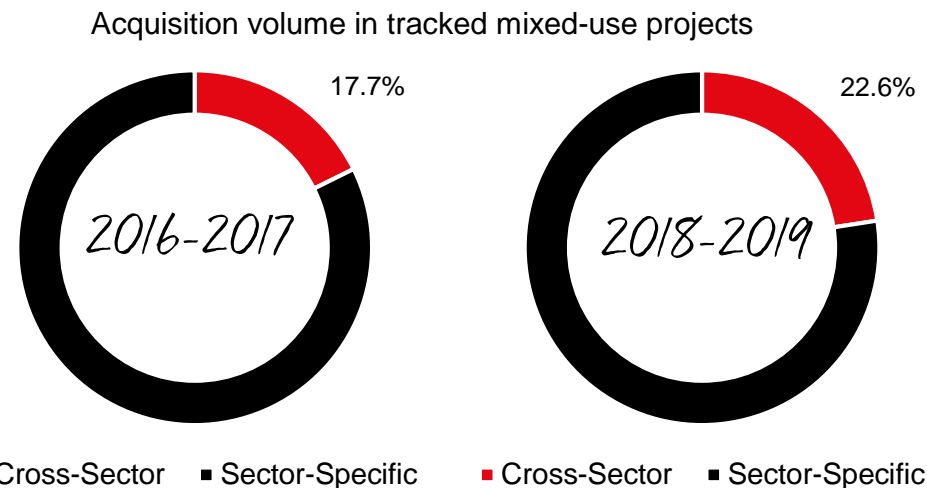
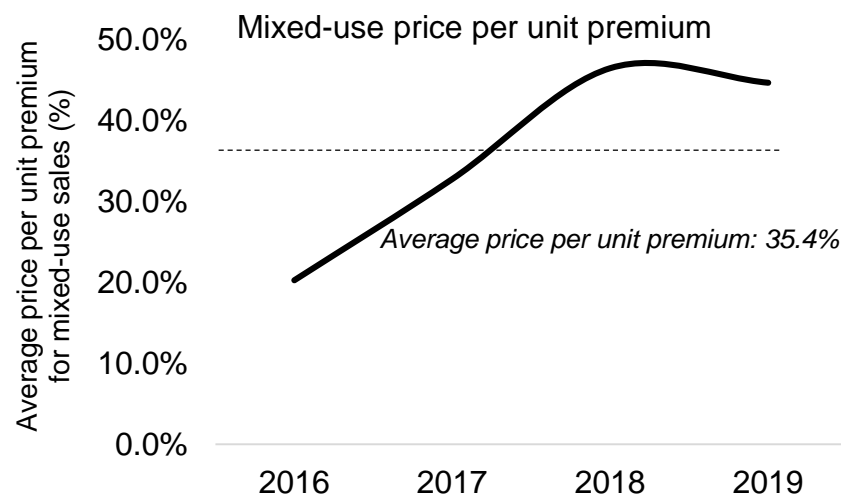
Cap rate premium: **52 bps**
Price per s.f. premium: **+31.0%**

Multi-housing

Cap rate premium: **82 bps**
Price per unit premium: **+57.8%**

Retail

Cap rate premium: **14 bps**
Price per s.f. premium: **+1.0%**



- Investors demonstrate increased appetite to purchase multi-sector components of mixed-use developments as opposed to individual condominium components, with the share of acquisitions spanning more than one property type increasing by 5.0 percentage points over the last two years.
- Investor interest in acquiring entire mixed-use developments is anticipated to continue to build given the opportunity to deploy capital at scale and own purposefully designed and out-performing real estate.

Source: JLL Research, Real Capital Analytics