UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

UK real estate returns are still running at over 10%, ahead of many other asset classes

Investment is trending close to 2017 levels – we expect ca. £55bn of investment this year

More stock will come to market as investors take advantage of multiple demand pools

THE LONG TAIL

Contrary to some predictions, the UK market still demonstrates considerable resilience

OUTLOOK

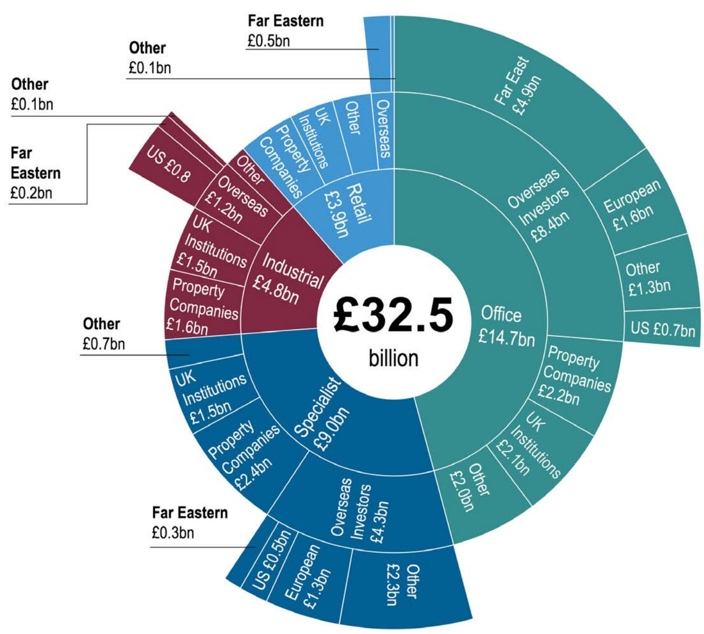
- **The optimists are being proven correct…** Economic momentum has returned, with the UK expanding at the same 0.4% rate as in the Eurozone in Q2. UK real estate investment volumes rebound after a slow start to the year and a quarter point base rate rise, passing without fanfare. UK real estate returns are easing, but still running at 11% – comfortably above many other asset classes. Globally, economic growth is powering ahead, and a decade after the financial crisis, stock market indices are reaching record highs.

- **…but the outlook for next year is less assured.** Global growth will remain healthy, albeit in deceleration, and with unhelpful trade tensions. Monetary tightening will continue in major economies, and while gentle, will set the tone for markets that rely on financial markets. Domestically, although we continue to expect an exit deal to be reached, Brexit uncertainty will impact sentiment as March approaches.

- **We continue to expect ca. £55bn of investment transactions this year.** The combination of politics weighing on Sterling, an unrelenting weight of global capital, the UK's relative value advantage vs. other global real estate markets, and a growing appetite to provide debt is creating a textbook opportunity to bring stock to market. We expect these conditions will be recognised by those wishing to crystallise paper returns, leading to a greater degree of liquidity in the last quarter of the year.

- **A Brexit breather in Q1 19?** Our view is that, unlike the referendum result itself, Brexit developments no longer have the power to truly shock markets – newsflow is constant and progress incremental. Q1 2019 might see some investors pause to wait for Brexit to unfold but we still envisage strong levels of investment demand, especially from long term investors seeking core product. Does this provide a window for opportunistic buyers?

Investment activity (to end August 2018)



Source: Property Data/Knight Frank

UK CAPITAL VIEW:

OUTLOOK AUTUMN **2018**

HEADLINES

Global economic sentiment remains healthy

Property is still an attractive asset class in what remains a low yield world

Our forecast is that UK property returns 7% this year, but the risk is to the upside

Base rate rises to have a limited direct impact on returns this year

THE ENVIRONMENT FOR REAL ESTATE INVESTMENT

Globally, the post-GFC recovery remains in full swing

- **Sentiment has become more positive...** As 2018 has progressed, financial market volatility has eased, and safe-haven investments, such as precious metals, have fallen. Bond markets have stabilised over recent months as the pace of global monetary tightening becomes clearer. Against this backdrop, UK commercial property performance has fared well, comfortably beating returns on many other asset classes. Listed property, where NAV discounts remain severe in some cases, is still a different story.

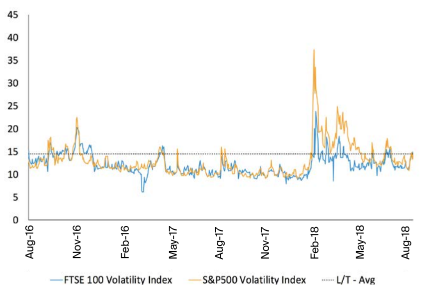
- **...and there remains no shortage of capital targeting real estate.** As detailed in our **Active Capital** research, private equity funds continue to raise large volumes of capital for real estate, amassing almost $300bn to invest globally. Oil-focused sovereign wealth funds are seeing revenues recover as commodity prices have improved, while domestically, institutional funds continue to attract healthy inflows.

- **Pricing and stock: the perennial challenges.** Globally, the weight of capital directed towards real estate, combined with loose monetary policy, has pushed yields close to record lows across many of the established global investment markets. Investors are becoming more agile in their search for acceptable yields, but they increasingly run up against a shortage of available stock to purchase, particularly in the shallower continental European markets.

- **UK base rate rise the last time for this year.** August saw rates increase to 0.75%, only the second rise in the past decade, and one that was widely anticipated: gilt rates fell following the news. Despite strengthening economic growth, we do not expect a further rise this year, and while we predict a further two hikes next year, this is very dependent on the scale of any volatility ahead of March 2019, when the UK is set to leave the EU. Longer term, the Bank of England has estimated that the 'neutral' rate for the economy lies between 2% and 3%.

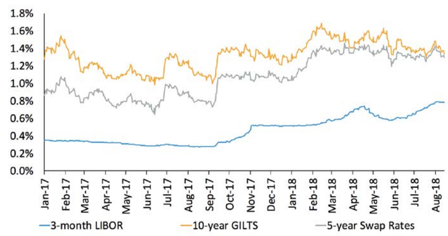
- **Our forecast for 7% total returns may prove too conservative.** All property returns are still running at almost 11%, and while we see rental growth where others do not (notably in central London and regional offices), we also expect to see the running return edge lower over the last few months of the year.

Equity Market Volatility



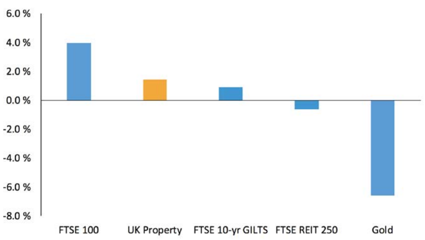
Source: Macrobond, as at August 2018

Libor, Gilt Rates And Swap Rates



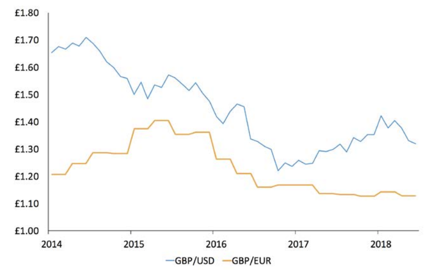
Source: Macrobond, as at August 2018

Returns by Asset Class (3-mths to July 2018)



Source: MSCI, Macrobond, as at July 2018

Foreign Exchange Rates



Source: Macrobond, as at July 2018

UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

At £55bn, we expect another year of robust investment activity

The last quarter of the year could prove especially active as more stock is brought to market

Overseas investors will remain dominant, attracted by a compelling combination of higher yields and weaker Sterling

Debt remains an attractive play for more defensive investors. Lenders are becoming more willing to finance a variety of property types

INVESTMENT MARKET DYNAMICS

Activity remains healthy

- **Our forecast of £55bn of investment in 2018 remains intact.** Following a slower start to the year, H1 purchases of just over £27bn were only 4% down on the same period of 2017. After an active summer period, we expect investment to pick up notably towards the end of the year. That said, stock remains relatively scarce for now, and newsflow surrounding the Brexit transition process could inject greater caution into the market.

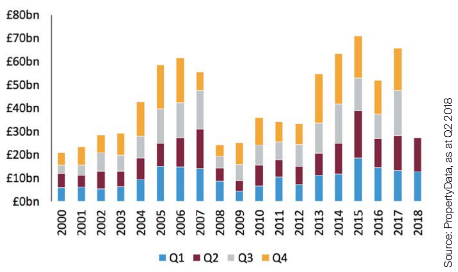
- **Overseas capital will continue to account for ca. 50% of UK investment.** The drivers of demand are multiple: in the short term, higher UK yields vs. those on the continent imply better value (despite stronger rental prospects across parts of the continent). For that reason, we expect European capital to play a more prominent role in UK acquisitions in H2 18. Longer term, recent Sterling weakness could well be exacerbated by Brexit uncertainty, making UK property cheaper to purchase for overseas investors.

- **Prime vs. secondary:** The convergence of secondary yields on prime is hardening investor focus on the latter: all else equal, many are likely to take the view that with yields at low levels across all asset qualities, prime represents the more defensive play. We expect that this dynamic, combined with a relative lack of stock on the market, will provide an opportunity to dispose of secondary assets.

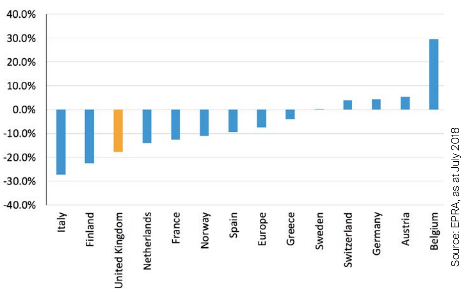
- **Corporate activity has cooled – for now.** While Unbail-Rodamco's acquisition of Westfield is now complete, other major UK deals once mooted, including Hammerson's Intu buyout and IWG potential takeover, are off the table for now. That said, NAV discounts remain compelling. We continue to expect further smaller-scale M&A in specialist sectors, where investors will struggle to deploy capital at scale.

- **A Brexit breather in Q1 19?** Our view is that, unlike the referendum result itself, Brexit developments no longer have the power to truly shock markets – newsflow is constant and progress incremental. Q1 2019 might see some investors pause to wait for Brexit to unfold but we still envisage strong levels of investment demand, especially from long term investors seeking core product. Does this provide a window for opportunistic buyers?

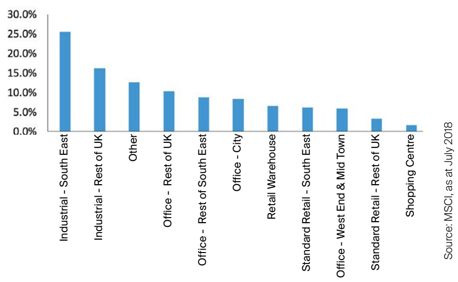
UK Real Estate Transaction Volumes



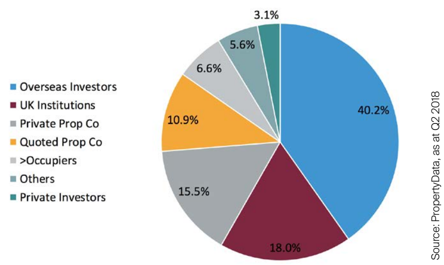
European REIT NAV Discount/Premium



Total Returns by Sector (12mths to July 2018)



UK Property Buyer Types



UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

While London prime yields are unchanged, some regional yields are under further downward pressure

Supply shortages mean we predict rental growth for 2019 across London and most of the key regional markets

While Far Eastern purchasers remain very active, we sense a growing interest from Europe and domestic investors

OFFICES

Demand remains healthy, buoyed by rental prospects, but the mix of investors is evolving

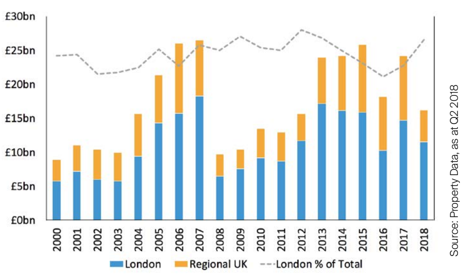
- **Robust demand for office property continues.** At £11.1bn, investment in the first half of 2018 is matching that seen in 2017, and with a number of significant transactions in recent months, the year is on track to see a healthy second half. London continues to account for the lion's share of activity, but regional markets have seen a number of £100m+ transactions, and sufficient competition to push yields below 5%.

- **London remains the most liquid global office market.** However, the mix of buyers is evolving. Asian investors still dominate and accounted for £4.4bn (65%) in the first half of the year. Greater China led the way with £2.6bn (38%) and £1.8bn (27%) from other Far Eastern nations, with £906m of that from Singapore and £790m from South Korea. While European investors have played a smaller role in recent quarters, we expect to see more interest over the second half of the year due to a combination of weaker Sterling and expensive European markets.

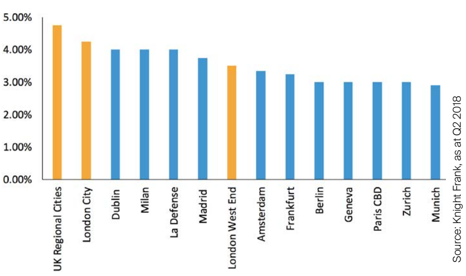
- **Domestic investors return.** UK institutions continue to buy, and after a long hiatus, are beginning to acquire central London assets again. In the South East, councils remain significant investors, accounting for 30% of transactions by value in Q2. With central government funding set to see significant reductions, councils will have an ongoing incentive to purchase income-generating assets, and low cost borrowing from the Public Works Loan Board is providing the funding for them to do so.

- **Performance will be increasingly reliant on rental growth in 2019.** Although modest yield compression continues to support performance for now, we believe the scope for this to continue is limited, as yields reach historic lows. Next year, capital value increases – where they are seen – are more likely to be driven by rental growth. This applies most clearly to the London markets, where at present the pipeline of new space remains very limited: we see modest rental growth in most London submarkets during 2019. However, we also see scope for rental growth in key south east and regional markets, where similar supply shortages exist.

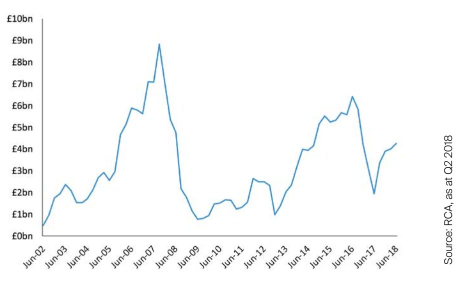
UK Office Investment (year to Q2 2018)



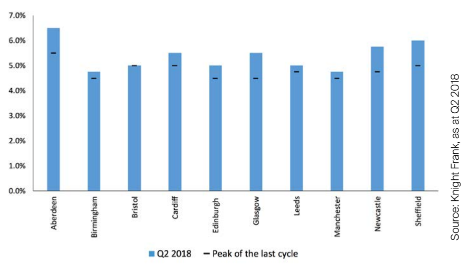
Prime Office Yields (UK vs. Europe)



Cross-border Regional UK Office Investment



Current Regional City Prime Yield vs. Previous Low



UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

Retail investment now makes up just 12% of the market – down from 20%+ two years ago

At 6%, retail's income return is comfortably above that of other sectors

M&A deals could support shopping centre liquidity by providing new pricing evidence

RETAIL

The search for a catalyst to unlock liquidity continues

- **At £3.9bn in H1 2018, investment activity continues to slow.** Retail's share of the market has dropped from over 20% as recently as 2016 to just 12% today. Domestic investors make up 75% of retail buyers, whereas, for the market as a whole, 50% of capital is from overseas. Councils, notably, remain active, with almost £200m of shopping centre investment this year and also gaining exposure via income strips. Overall, retail investment now accounts for a significantly lower volume than seen in either the industrial or specialist sectors.

- **...hampered by a lack of truly motivated sellers.** This is one sector of the market where stock availability should, in theory, not be not be an issue. Part of the reason for slower trading has been a disconnect between valuations/ pricing expectations and market reality, resulting in little incentive for retail owners to sell. However, this is easing as valuers move yields higher, potentially unlocking greater liquidity for the rest of the year and beyond.

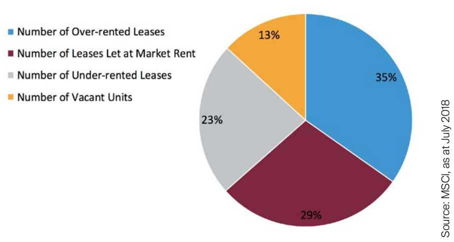
- **In the short term, performance will struggle as yields move out.** In 2019 almost all property sectors will see less support from yield compression, but for retail the likelihood is that yields rise further, blunting performance. That said, where tenant demand remains relatively robust, retail continues to offer comparatively strong income returns, which are likely to hold attraction at a time when investors generally are shifting their focus from the sole pursuit of capital growth.

- **Despite negative headlines, the occupational backdrop remains healthy.** Although retail sales volumes are growing at over 3.0%, the use of Company Voluntary Agreements (CVAs) – an offer of reduced rental payments to landlords made by struggling retailers – have created uncertainty over security of income, with some tenants able to abandon their lease obligations, in turn unsettling the occupational market. However, our analysis of the UK's 550+ retailers with annual turnover of £10m shows this approach remains comparatively rare.

- **Pockets of popularity.** There is an erroneous tendency to tar all retail with the same brush. Not all retail property faces the same challenges – London property, in particular high street shops and retail warehouses, continues to see comparatively healthy performance, whereas shopping centres continue to struggle.

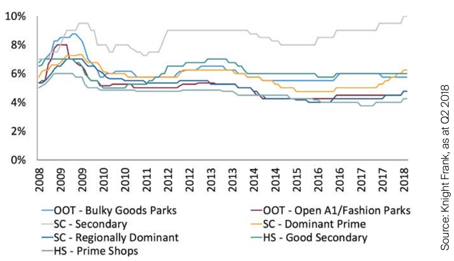
UK Retail Transaction Volumes by Sub-Sector

UK Retail Vacancy Rate & Rental Position



Equivalent Yield Impact on Capital Value

Retail Prime Yields by Sub-Sector



UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

Investment could reach £10bn this year with total returns expected to hit 15%

2019 will be less about yield compression, and more a test of rental growth assumptions

Despite easing total returns the sector remains attractive as a defensive income play

INDUSTRIAL

Rivalling 2017's high-water mark for investment volumes and performance

- **Industrial investment could reach £10bn this year.** Investor demand for the sector has not shown any meaningful slowdown, and stock scarcity remains the largest impediment to activity. Nevertheless, we suspect that buyers may be finally reaching the limits of what they are willing to underwrite on future rental growth.

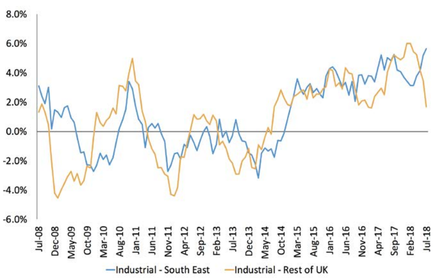
- **The listed sector reflects the strength demand.** Segro has become the second largest UK REIT by market capitalisation, while Stenprop is the newest entrant following its recent REIT conversion, focusing on multi-let opportunities. Capital raising from IPOs and new issues has slowed this year, but listed vehicles continue to deploy funds previously raised.

- **Returns continue to outperform in 2019.** We have revised up our initial return forecast of ca. 10% in 2018 to 15% as yields creep lower and rental growth persists. While strong in comparison to other sectors, we expect returns to slow noticeably in 2019 as the boost from yield compression finally fades and rental growth becomes the key driver of performance.

- **Convergence/divergence.** Yield compression continues to be strongest for secondary quality stock, but is only appropriate for investors with strong asset management capability. We have reduced our yield guidance on most secondary property by 25bps in recent months, implying a narrowing of the spread to prime assets. On the other hand, we also predict a persistence in the growing locational divergence in performance. At present, the difference between the strongest returns (Eastern) and weakest (Northern and Scotland) is the highest for 25 years.

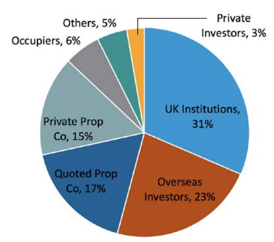
- **A growing opportunity for multi-let property.** We see rising demand for this type of asset, with investors attracted by a relative yield advantage vs. single-let assets, income diversification via the tenant mix, comparatively affordable rents that allow growth potential to be crystallised quickly, and perhaps most importantly, a level of protection from oversupply/competition due to land constraints and cost to build vs. existing use values. There is also scope for conversion to alternative use, heightened by the typical proximity to urban and residential locations.

UK Industrial Rental Growth by Region



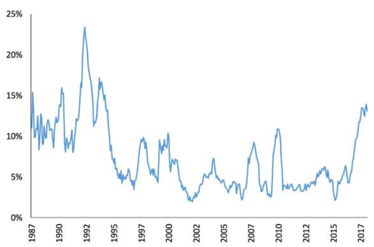
Source: MSCI, as at July 2018

Investment by Buyer Type (12mths to Q2 2018)



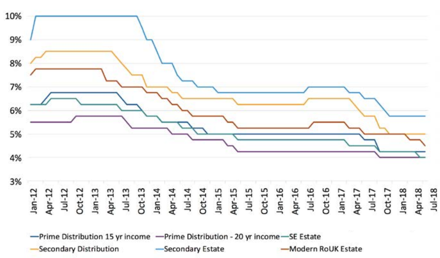
Source: Property Data, as at Q2 2018

Total Return Spread (strongest vs weakest performing region)



Source: MSCI, as at July 2018

Industrial Yield (Prime vs Secondary)



Source: Knight Frank, as at Q2 2018

UK CAPITAL VIEW:

OUTLOOK AUTUMN **2018**

HEADLINES

With over £9bn traded in H1 18, the sector is now larger than industrial and retail combined

Performance will prove defensive in 2019 for those with the operational capability to manage specialist assets

Funds are re-weighting towards the sector. We expect they have further to go

SPECIALIST SECTORS

No longer 'alternative'

- **Specialist sector (Leisure and Alternative) investment reached 34% of the market in H1 2018.** Over £9bn of transactions took place, accounting for more activity than the retail and industrial sectors combined. Portfolio transactions accounted for around a quarter of specialist investment transactions, much of the demand coming from overseas investors.

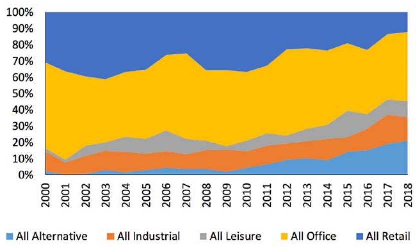
- **A growing weight of capital is targeting the sector…** Although the earlier flurry of IPOs and share issues has slowed for now, domestic REITs continue to make up a significant share of demand as they deploy the capital raised. They are joined by funds that are gradually increasing allocations to specialist property, and we note that more institutions are prepared to invest without the 'safety blanket' of a fixed lease.

- **…justified by strong – and defensive – performance.** With annual total returns running at 18%, hotel outperformance is second only to that of the logistics sector. Along with other specialist sectors they have seen gradual yield compression which is boosting performance. In addition, these sectors benefit from defensive characteristics – end user demand for student housing, residential property and healthcare property is largely unaffected by short term economic conditions – as well as a variety of ways to derive long-term inflation-linked income via ground rents and income strips, for example.

- **A lack of investible stock will lead to further corporate M&A…** For example, we estimate that there is over £20bn of capital targeting the healthcare property market, against an annual deal volume of £1.3bn in 2017.

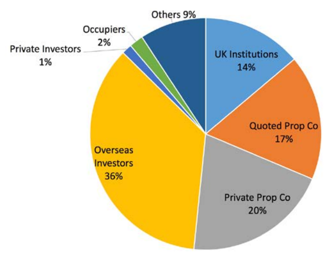
- **…and ongoing development activity.** Our research demonstrates how pricing fuels new construction of specialist property. Building on growth in 2017, we predict 20,000 new hotel rooms will be delivered in 2018, almost two thirds of which will be in regional markets. Similarly, while still recording net losses of beds overall, our research in the healthcare sector points to a 16% rise in new beds registered for 2018. This activity will go some way to feeding investor appetite for new opportunities.

UK Property Investment by Sector



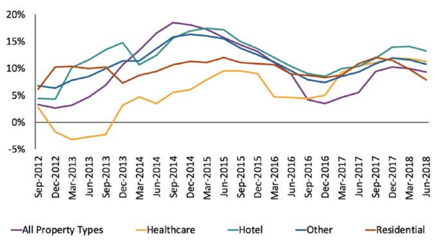
Source: Property Data, as at Q2 2018

Alternative Property Investment by Buyer Type



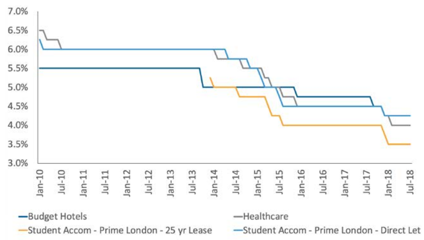
Source: Property Data, as at Q2 2018

Specialist Property Annual Returns



Source: MSCI, as at Q2 2018

Alternative Property Initial Yields



Source: Knight Frank, as at Q2 2018

UK CAPITAL VIEW:

OUTLOOK AUTUMN 2018

HEADLINES

The appeal of real estate debt continues to grow

Lenders are increasingly willing to consider specialist property

The base rate change has had little impact to date

REAL ESTATE DEBT

A defensive play that continues to fuel the wider investment market

- **There is a growing appetite to lend on commercial real estate.** With loan to value limits remaining conservative, risk-averse investors see debt as an attractive way to gain real estate exposure at a time when capital growth is slowing. This is demonstrated by the volume of debt funds launched during 2018, the increasing focus on debt by private equity investors (up by 1/3rd over the past 18 months), and even the re-emergence of activity within the European CMBS market. Adding to the UK's specific appeal, data from the Cass Lending Survey shows how the yield on debt in the UK is currently higher than for many other countries across Europe.

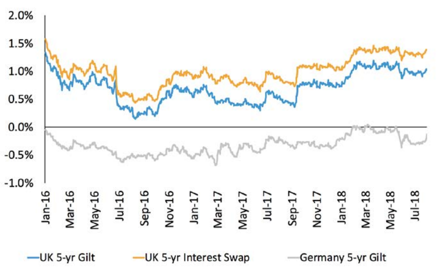
- **The lending landscape is liquid but segmented.** Appetite for lending against prime central London assets is still strong – overseas lenders and insurance companies are looking for big ticket low risk deals with pricing consistently seen sub 150bps margin. In contrast, development finance requirements of c. £50m for instance are too small for the larger debt funds but too large for the smaller alternative lenders to cover in a one-bank deal.

- **Alternative sectors rising in popularity.** We have seen growing interest from lenders looking to find yield in alternative sectors. Retirement living seems to be the most popular, with lenders spending more time understanding the characteristics of the sector.

- **The impact of the base rate rise has been marginal.** August's 0.25bps base rate rise has had little impact on the viability of real estate debt, although it has focused minds on the direction of travel. Longer term, lenders face a choice: pass rising costs on to borrowers, or reduce their margins. For now, competition to lend is sufficient that in some cases lenders are taking a hit on margins, softening the impact of higher interest rates for borrowers. However, this margin squeeze can only go so far, and once the limit has been reached, higher borrowing costs could ultimately reduce the amount that those purchasing with debt are able to pay for assets.

- **High street lenders could become more competitive.** They will benefit most from rate rises, which will increase the returns on large deposits and therefore provide a potential boost to lenders' profitability.

Interest Rate Comparisons

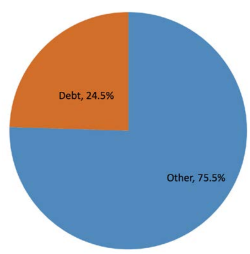


Source: Macrobond, as at July 2018

Outstanding RE Debt from UK Registered Banks

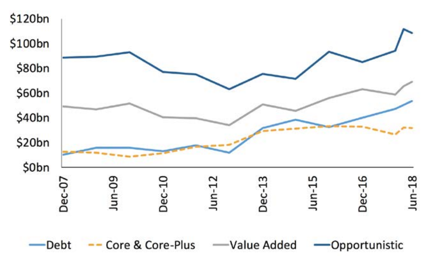
Source: Bank of England, as at Q2 2018

Private RE Funds in Market by Strategy



Source: Prequin, as at July 2018

Private RE Dry Powder by Primary Strategy



Source: Prequin, as at July 2018

UK CAPITAL VIEW:

OUTLOOK AUTUMN **2018**

HEADLINES

Investment slowed in H1 18, but reflective of a lack of stock, not demand

At 3.00% or lower for prime offices, yields have probably reached a low-point for many markets

The UK's significant yield advantage will prove hard to ignore for those investors theoretically focused on the continent

THE EUROPEAN VIEW

When strong demand faces limited investment opportunities

- **European investment sees a temporary slowdown...** Activity in H1 18 fell 16% to €87.2bn compared to €104bn for the same period last year. The slowdown has been relatively broad-based but of the core markets, Germany, previously the favoured destination for US capital, has seen the greatest fall in investment with volumes down 27%. In contrast, investment in France increased 25% year-on-year after a sluggish year for commercial property in 2017.

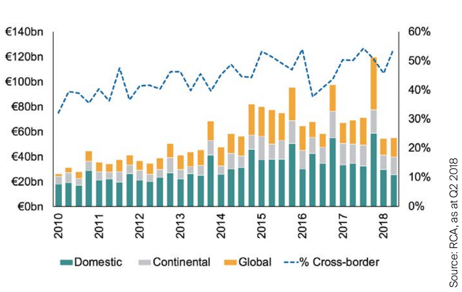
- **...held back by a lack of stock, rather than demand.** As a barometer of appetite, Preqin notes that during Q2 18 private equity funds raised over €5bn of capital to deploy in continental Europe, while two thirds of investors are targeting the market over the next 12 months, up from just over half this time last year. Overall, there is growing interest among investors for assets further up the risk curve due to the lack of core products available on the market. We are also seeing investors target smaller lot sizes and second and third tier cities, indicating the imbalance between demand for exposure to Europe and the availability of investment product.

- **The industrial sector is a case in point.** Investment slowed to €11.4bn in H1 2018 compared to €14.3bn in H1 2017, and with approximately €1.8bn of industrial properties under offer, it is unlikely volumes will reach previous quarters. However, this partly reflects the fact that modern, investible stock on key trade routes is in relatively short supply.

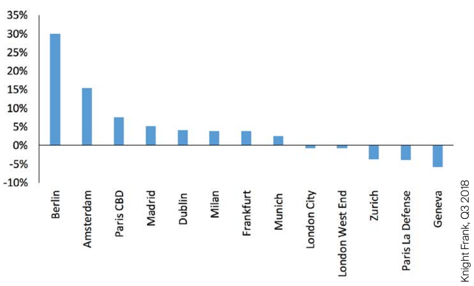
- **The end of yield compression in sight?** In the first half of the year, fewer markets recorded year-on-year yield compression with only Frankfurt, Dublin, Brussels and Amsterdam recording noticeable office yield movement. Over half the markets in our survey area are already recording yields well below their five-year average with little room to compress further. We expect yields to remain stable throughout the rest of the year and into H1 2019.

- **Continental drift: the allure of higher yields.** There is no doubt that continental Europe's healthy economic fundamentals and prospects for rental growth remain attractive to investors, but they come at a price. We expect that yields of an additional 200bps in the UK, along with a potential further currency advantage, will continue to tempt those otherwise inclined to invest on the mainland to the UK.

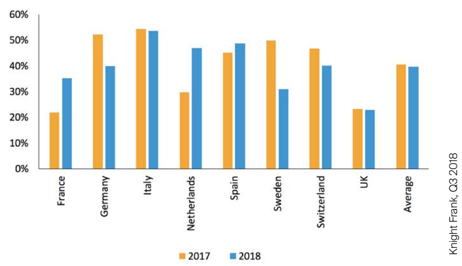
European Transaction Volume



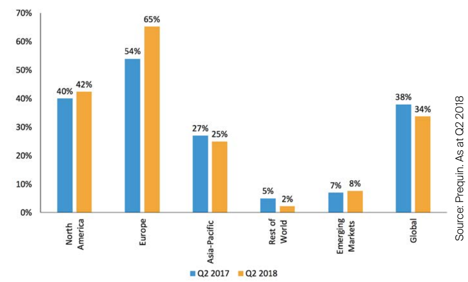
European City Annual Rental Growth



Portfolios as a Percentage of all Transactions



Regions targeted by Private RE investors over the next 12-months



UK CAPITAL VIEW:

OUTLOOK AUTUMN **2018**

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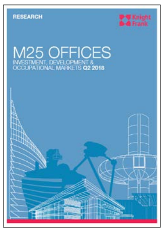
Active Capital



M25 Offices

Retail News

Industrial Snapshot

Specialist Property

KNIGHT FRANK YIELD GUIDE

	Dec-17	Jun-18	Aug-18	Sentiment
High Street Retail				
Bond Street	2.25%	2.25%	2.25%	STABLE
Oxford Street	2.25%	2.25%	2.50%	STABLE
Prime Shops (excludes central London)	4.00%	4.25%	4.50%	NEGATIVE
Regional Cities high street	4.25%	4.75%	5.00%	NEGATIVE
Good Secondary high street	6.00%	6.00%	6.25%	NEGATIVE
Secondary & Tertiary high street	10.00%++	10.00%++	10.00%++	NEGATIVE
Shopping Centre				
Regionally Dominant shopping centres	4.25%	4.75%	4.75%+	NEGATIVE
Dominant Prime shopping centres	5.50%	6.25%	6.25%	NEGATIVE
Good Secondary shopping centres	7.50%	8.00%	8.00%	NEGATIVE
Secondary shopping centres	9.50%++	10.00%++	10.00%++	NEGATIVE
Out of Town Retail				
Open A1/Fashion retail warehouses	4.50%+	4.75%	4.75%	NEGATIVE
Secondary A1 retail warehouses	5.75%	6.00%	6.00%	NEGATIVE
Bulky Goods Parks	5.75%	5.75%	5.75%	NEGATIVE
Secondary Bulky Goods Parks	7.00%	7.00%	7.00%	NEGATIVE
Solus Open A1	4.75%	4.75%	4.75%-	POSITIVE
Solus Bulky	5.75%	5.00%	5.00%	POSITIVE
Specialist Sectors				
Department Stores	5.25%	5.75%	6.25%	NEGATIVE
Car Showroom (with fixed uplifts & manufacturer covenant)	4.50%	4.50%	4.50%	STABLE
Car Showrooms (with fixed uplifts & dealer covenant)	4.75%	4.75%	4.75%	POSITIVE
Budget Hotels (Fixed/RPI uplifts 20 yr+ term, Strong Covenant)	4.25%	4.25%	4.25%	POSITIVE
Student Accommodation (Prime London – Direct Let)	4.25%	4.25%	4.25%	POSITIVE
Student Accommodation (Prime Regional – Direct Let)	5.50%	5.25%	5.25%	POSITIVE
Student Accommodation (Prime London – 25 yr lease Annual RPI)	3.75%	3.50%	3.50%	POSITIVE
Student Accommodation (Prime Regional – 25 yr lease Annual RPI)	4.50%	4.00%	4.00%	POSITIVE
Healthcare (Elderly Care 30 yrs indexed linked reviews)	4.25%	4.00%-	4.00%-	POSITIVE
Foodstores				
Annual RPI increases (IY)	4.25%	4.25%	4.25%	POSITIVE
Open market reviews	5.00%	5.00%	5.00%	STABLE
Warehouse & Industrial Estates				
Prime Distribution/Warehousing (20 yr fixed RPI)	4.00%	4.00%	4.00%	POSITIVE
Prime Distribution/Warehousing (15 yr)	4.75%	4.25%	4.25%	POSITIVE
Secondary Distribution (10 yr)	5.00%	5.00%	5.00%	STABLE
SE Estate (exc London & Heathrow)	4.25%	4.00%	4.00%	POSITIVE
Good Modern RoUK Estate	5.00%-	5.00%-	4.50%	POSITIVE
Secondary Estates	5.75%	5.75%	5.75%	POSITIVE
Offices				
City Prime	4.00-4.25%	4.00%-4.25%	4.00-4.25%	STABLE
West End Prime	3.50%	3.50%	3.50%	STABLE
Major Regional Cities	4.75%	4.75%	4.75%	POSITIVE
SE Towns	5.00%-	5.00%-	5.00%	POSITIVE
SE Business Parks	5.00%-	5.00%-	5.00%	POSITIVE