

RYNNE, MURPHY & ASSOCIATES, INC.
REAL ESTATE MARKET INVESTMENT RATE SURVEY (4th Quarter 2019)

	EQUITY DIVIDEND RATES			EQUITY YIELD RATES			OVERALL DISCOUNT			OVERALL CAPITALIZATION*		
	Low	High	Average	Low	High	Average	Low	High	Average	Low	High	Average
OFFICE:												
Small	4.25%	13.75%	9.00%	11.25%	16.75%	14.00%	7.25%	13.00%	9.50%	4.25%	12.75%	8.00%
Class A	4.75%	11.75%	8.25%	11.00%	14.75%	13.25%	7.00%	11.50%	9.00%	4.75%	9.25%	7.50%
Class A/R	5.75%	13.25%	9.50%	12.25%	16.25%	14.25%	7.50%	13.25%	9.50%	6.25%	12.25%	8.25%
Class B	7.25%	15.75%	10.75%	11.50%	16.75%	15.00%	8.25%	13.75%	9.25%	7.50%	13.50%	9.50%
Class C	9.25%	19.00%	14.50%	13.75%	20.75%	16.75%	9.50%	17.00%	11.75%	9.25%	17.00%	11.75%
RETAIL:												
Regional	5.25%	14.25%	9.75%	11.25%	16.50%	14.50%	7.25%	14.00%	9.50%	5.75%	14.75%	8.50%
Community	5.25%	14.75%	9.50%	11.75%	17.00%	14.50%	7.50%	13.50%	9.25%	5.50%	13.75%	8.50%
Neighborhood	5.00%	15.00%	9.50%	11.75%	17.50%	14.75%	7.25%	13.75%	8.75%	5.50%	13.50%	8.00%
INDUSTRIAL:												
Heavy	7.25%	18.00%	12.50%	12.50%	20.00%	16.00%	8.25%	15.50%	11.50%	7.25%	16.75%	10.75%
Older	7.75%	20.00%	12.75%	12.50%	22.00%	16.25%	8.25%	16.50%	10.75%	8.00%	16.75%	11.25%
Light	5.50%	15.75%	9.50%	12.25%	18.00%	14.75%	7.75%	14.00%	9.75%	6.75%	14.25%	9.00%
R & D	5.50%	15.50%	9.25%	12.00%	17.00%	14.75%	7.50%	13.50%	9.75%	6.50%	13.75%	8.75%
APARTMENTS:												
Urban Small Multi-Family	4.00%	19.75%	8.75%	10.50%	21.50%	14.00%	7.25%	17.75%	8.75%	4.00%	18.75%	7.25%
Urban Apartment Project	5.25%	18.50%	9.25%	11.50%	20.50%	14.75%	7.75%	16.50%	9.50%	5.25%	18.50%	7.75%
Suburban Multi-Family	4.75%	14.75%	8.25%	11.50%	16.50%	13.75%	7.25%	13.25%	8.25%	4.00%	13.25%	6.75%
Suburban Apt Project	4.75%	15.00%	8.75%	11.75%	16.75%	13.75%	7.50%	13.50%	8.50%	5.25%	13.75%	7.25%
New Apartment Project	4.50%	11.50%	8.00%	11.00%	14.25%	13.25%	7.50%	10.75%	8.25%	4.50%	9.50%	6.50%
SPECIAL USE:												
Mobile Home Parks	6.00%	16.75%	10.00%	11.50%	18.00%	14.50%	7.75%	14.50%	9.50%	5.75%	14.75%	8.50%
Restaurants	5.50%	17.00%	11.25%	11.50%	19.50%	15.00%	7.50%	14.75%	10.25%	5.50%	15.75%	9.50%
Automotive Dealers	5.75%	15.25%	10.50%	12.00%	17.25%	15.00%	7.75%	14.00%	9.75%	6.50%	14.50%	9.25%
Subdivisions	12.75%	26.50%	16.50%	12.75%	29.00%	17.00%**	10.25%	28.50%	16.00%**	N/A	N/A	N/A
Nursing Homes	8.25%	24.25%	14.50%	13.25%	21.00%	17.00%	8.25%	19.50%	13.00%	8.00%	21.00%	12.00%
Hotel/Motel	8.00%	18.75%	12.25%	12.50%	21.00%	15.50%	8.25%	15.50%	10.50%	7.50%	16.75%	10.75%
City Commer/Indust Property	5.00%	19.25%	9.75%	11.50%	22.00%	14.50%	7.25%	17.00%	9.75%	5.00%	17.25%	9.50%
General Market Range Excluding Extremes	6.25%	14.50%	9.75%	12.00%	17.00%	14.25%	7.25%	13.00%	9.75%	6.50%	12.75%	9.25%

This is based primarily upon properties in Upstate New York and most of the western/central New England region. Lower end rates generally represent newer/modernized, higher quality suburban properties. Upper end rates generally represent older urban, lower quality properties. The above rates generally do not represent highly distressed properties. These rates assume that adequate management and reserve expenses are considered.

* Terminal capitalization rates generally 0.50% above going-in capitalization rates.

** Includes profit and overhead.