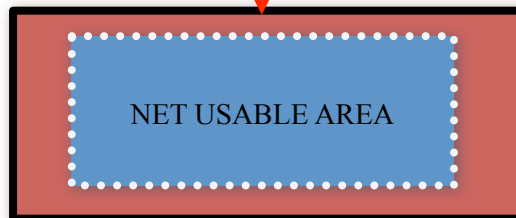


HIDDEN COST – HIGHER RENT – LOWER COST



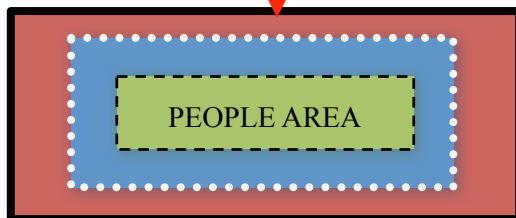
You are charged on the Net Rentable Area, however you do not use all the Net Rentable Area (“NRA”). The NRA contains a percentage of the building common areas.

Difference 3-25%



The Net Usable Area is the actual space inside the walls of your Premises. However, even inside your Premises, the people do not occupy the corridors, reception, kitchen, etc. (“Circulation Area”) common areas all the time.

Difference 20-30%



Your People Area is the amount of space you need only for your employees to conduct business. This is indifferent of the circulation space needed inside the Premises and the building common areas outside the Premises.

Total Difference 23-55% of your square footage. This could equate to 23-55% rental savings.

RENTABLE VS. USEABLE SQUARE FOOTAGE DEFINED

Rentable Square Footage: Rentable Square Footage equals the Usable Square Footage plus the tenant's pro rata share of the Building Common Areas, such as lobbies, public corridors and restrooms. The pro-rata share, often referred to as the Rentable/Usable (R/U) Factor, will typically fall in a range of 1.10 to 1.16, depending on the particular building. Typically, a full floor occupancy will have an R/U Factor of 1.10 while a partial floor occupancy will have an R/U Factor of 1.12 to 1.16 times the Usable Area.

Usable Square Footage: Usable Square Footage is the area contained within the demising walls of the tenant space. Total Usable Square Footage equals the Net Square Footage x the Circulation Factor.

Net Square Footage: The space required for a function or staff position. Typical needs are 125sf per person for open concept, 150sf per person for typical office, 225sf per person for managers, and 300sf per person for executives. This number x the Circulation Factor = Usable Square Footage.

Circulation Factor: Interior space required for internal office circulation not accounted for in the Net Square Footage. Based upon our experience, we use a Circulation Factor of 1.25 x the Net Square Footage for office and fixed drywall areas and a Circulation Factor of 1.35 x the Net Square Footage for open area workstations. This number x the Net Square Footage = Usable Square Footage

Example: Client Needs:

- (4) Mgr Offices 15 x 20 (M)
- (4) Offices 10 x 15 (O)
- (1) Reception 15 x 15 (R)
- (1) Conference Room 20 x 20 (C)
- (1) Break Room 10 x 15 (B)
- Open Area of 1,773sf (Open)

