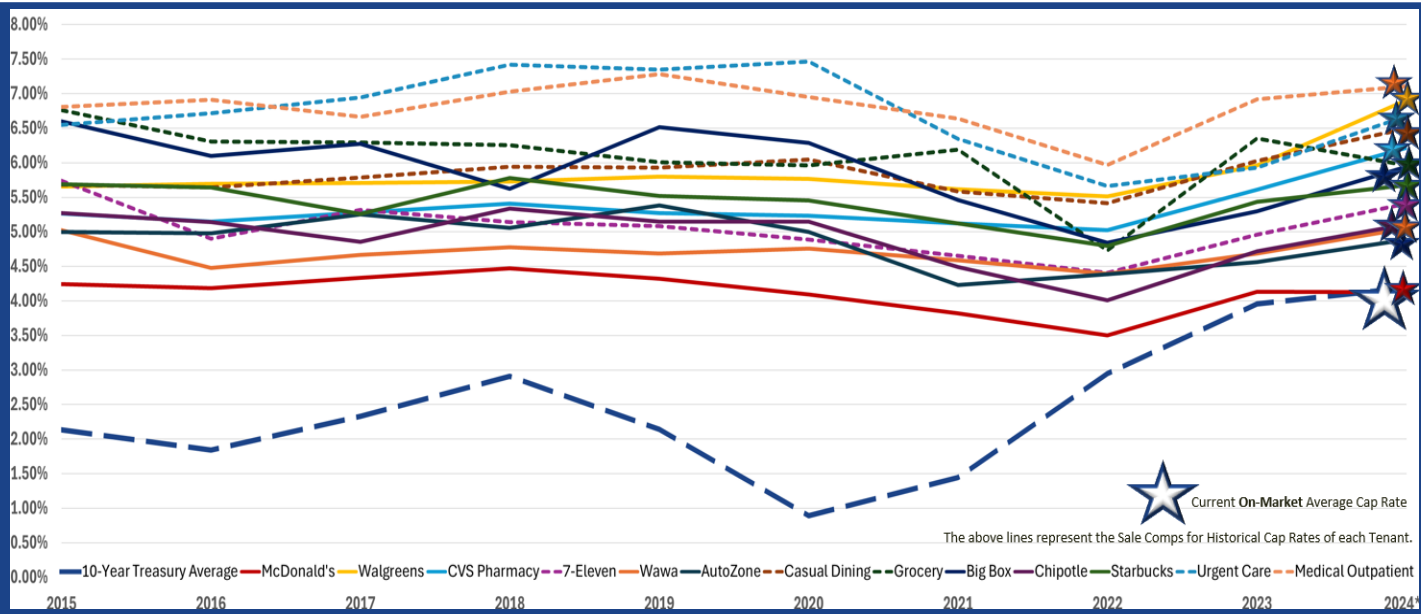


CAP RATES: LATEST TRENDS AND ACTIVITY

Updated: December 2024



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DECEMBER 2024

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THE 10-YEAR TREASURY AND HISTORICAL CAP RATE SPREADS:



In December 2023, the 10-Year Treasury average for the year was 3.96%. One year later in December 2024, the 10-year Treasury average for the year sits at 4.19%, an increase of 23 basis points, corresponding with the rise in interest rates, we saw a significant shift upwards in Cap Rates as detailed in the following report. With the last rate hike coming in July 2023, rates remained steady throughout the majority of 2024. However, in the September 2024 meeting, the Federal Open Market Committee (FOMC) cut rates 50 basis points, the first rate cut since the early stages of the COVID-19 pandemic in March of 2020. Per their most recent meeting in November 2024, the Fed established another rate cut of 25 basis points with the Fed Funds Rate sitting between 4.50% to 4.75%, indicating a potential turn in the economy. The Fed meets again in mid-December, and the general consensus is there will be another 25 basis point cut. Further, according to analysts at Capital Economics, they expect additional 25 basis rate cuts until the rates bottom out in May 2025 between 3.50% and 3.75%.

In this report using data through November 2024, we analyzed a snapshot of the 10-year Treasury dating back to 2015 and then compared numerous national retail tenants and retail categories and how their single tenant, net lease deals traded over the same period. Note: the comparables used in the report only included deals with 6 years and longer of primary lease term remaining, with most deals analyzed having 10+ years of primary term at the time of sale. In this most recent edition, we added four (4) new types of Tenants to our report: Chipotle, Starbucks, Urgent Care Facilities, and Medical Outpatient Facilities. There are varying historical spreads for each Tenant/category.

Comparing the changes in trades from 2023 to 2024, Cap Rates for sold deals have risen an average of thirty-eight (38 bps) basis points across the thirteen (13) types of Tenants detailed, with McDonald's being the least volatile, and pricing holding steady. On the other hand, single tenant Walgreens saw the biggest Cap Rate change with an increase of ninety-four (94 bps) basis points. We view the increase in Walgreens Cap Rates to be a result of the July 2024 credit downgrade of Walgreens Boots Alliance Inc. to BB from BBB- (S&P), relegating the company to a non-investment grade along with 1,200 announced store closings over the next 3 years. Although they have held their investment grade credit of BBB (S&P), CVS Pharmacy trades have seen an increase in the average Cap Rates of sixty (60 bps) basis points from 2023 to 2024. The more stable Cap Rates from CVS Pharmacy trades in 2024 could also be attributed to nearly 50% of the 2024 trades coming from tax-free states, which trade at more of a premium. Retail pharmacies struggle as there has been falling reimbursement rates for prescription drugs as well as inflation and increased competition applying constraint in the front of the stores. According to a CoStar report from November 6, 2024, U.S. retailers had announced 6,481 store closings for this year, according to Coresight Research, already eclipsing the 5,553 closings it tracked for the whole of calendar 2023 and higher than any full-year total since 2020, when COVID-19 broke out. On the other hand, single tenant grocers have seen a slight dip of thirty-nine (39 bps) basis points in the average Cap Rates when comparing 2023 to 2024. This could be attributed to the overall stability and reliability of grocery stores as an investment along with a limited supply of free-standing single tenant grocery stores.

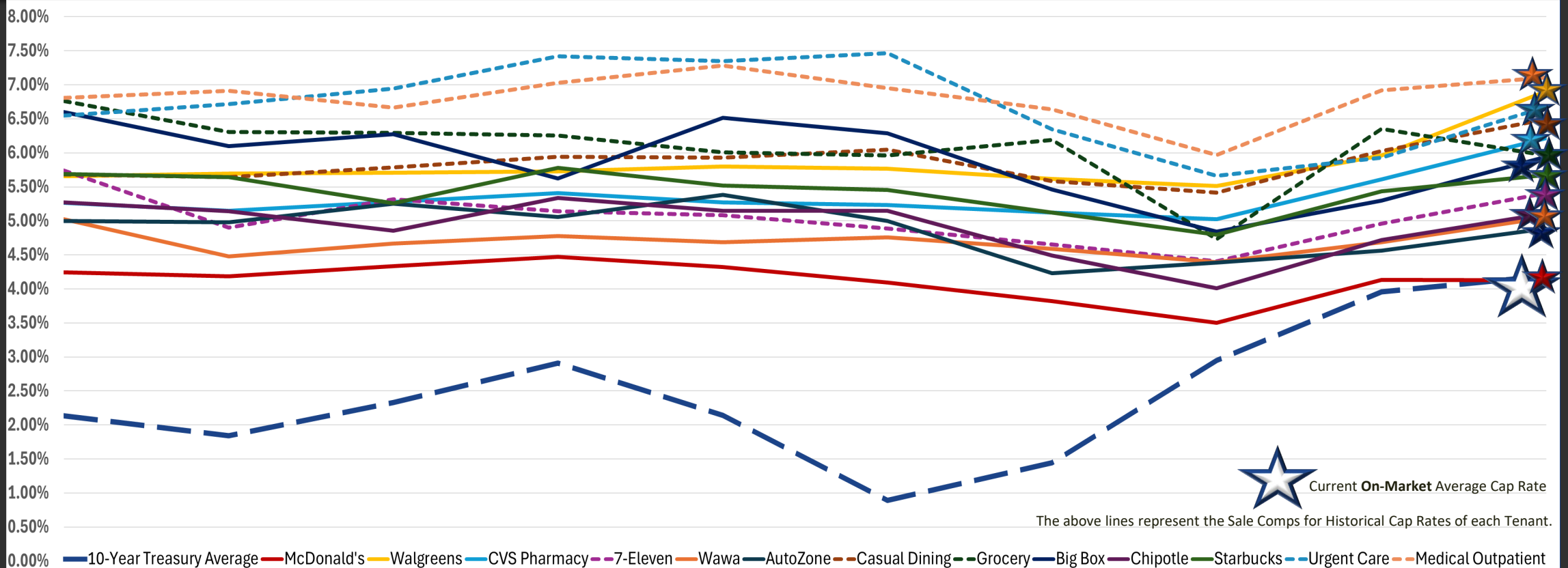
To further portray how the market has transformed over the past year and since there were significantly fewer trades, we compiled comparable deals in this report that are currently on-market as of November 2024. Using the same criteria as the sold deals, we have summarized the averages along with the number of deals considered for each of the thirteen (13) Tenants/categories. The data shows how the gap is closing or has already inverted between the asking Cap Rate of deals currently on-market versus what Cap Rate deals have recently sold for. In most cases, asking Cap Rates have now surpassed the recently sold comps. With a substantial amount of inventory still on-market, the length at which these deals remain unsold has grown and continues to grow daily. From our end of year report in 2023 to our current report, we found that the average days on-market for Big Box Retail sat at 277 days, 93% longer than when we compiled the current Big Box Retail deals on-market last year. When looking at the current on-market deals compared to on-market deals from a year ago, average CAP Rates remained consistent for 7-Eleven, AutoZone, and McDonald's with less than a five (5 bps) basis point difference.

As we remain in this time of uncertainty within the market, buyers and sellers continue to closely monitor the Fed to see where rates are heading and to navigate the ever-evolving net lease market to determine current market pricing. Please review the attached report and reach out to the Forged Real Estate team if you would like to review additional data or discuss any of these trends further.

THE 10-YEAR TREASURY AND HISTORICAL CAP RATE SPREADS:



INTRODUCTION



Year	10 Year Treasury Avg.	McDonald's	Walgreens	CVS	7-Eleven	Wawa	AutoZone	Casual Dining	Grocery	Big Box	Chipotle	Starbucks	Urgent Care	Medical Outpatient
2015	2.14%	4.24%	5.66%	5.27%	5.74%	5.03%	5.00%	5.68%	6.77%	6.60%	5.28%	5.69%	6.55%	6.81%
2016	1.84%	4.19%	5.69%	5.15%	4.90%	4.48%	4.98%	5.64%	6.30%	6.10%	5.14%	5.65%	6.72%	6.91%
2017	2.33%	4.33%	5.71%	5.28%	5.32%	4.67%	5.25%	5.79%	6.30%	6.28%	4.86%	5.26%	6.95%	6.67%
2018	2.91%	4.47%	5.73%	5.41%	5.14%	4.78%	5.06%	5.94%	6.26%	5.63%	5.34%	5.78%	7.42%	7.03%
2019	2.14%	4.32%	5.80%	5.27%	5.08%	4.69%	5.38%	5.93%	6.01%	6.51%	5.15%	5.52%	7.35%	7.29%
2020	0.89%	4.10%	5.77%	5.23%	4.89%	4.76%	5.00%	6.05%	5.96%	6.29%	5.15%	5.46%	7.47%	6.95%
2021	1.44%	3.82%	5.61%	5.12%	4.66%	4.59%	4.23%	5.58%	6.19%	5.46%	4.49%	5.12%	6.35%	6.64%
2022	2.95%	3.50%	5.51%	5.03%	4.41%	4.39%	4.38%	5.41%	4.73%	4.84%	4.01%	4.80%	5.66%	5.97%
2023	3.96%	4.13%	5.97%	5.61%	4.96%	4.68%	4.57%	6.03%	6.35%	5.30%	4.72%	5.44%	5.93%	6.92%
2024*	4.19%	4.13%	6.91%	6.22%	5.41%	5.05%	4.89%	6.50%	5.97%	5.95%	5.11%	5.68%	6.68%	7.11%

Note: *2024 Data is based on data through November 2024.



MCDONALD'S vs. 10-YEAR TREASURY

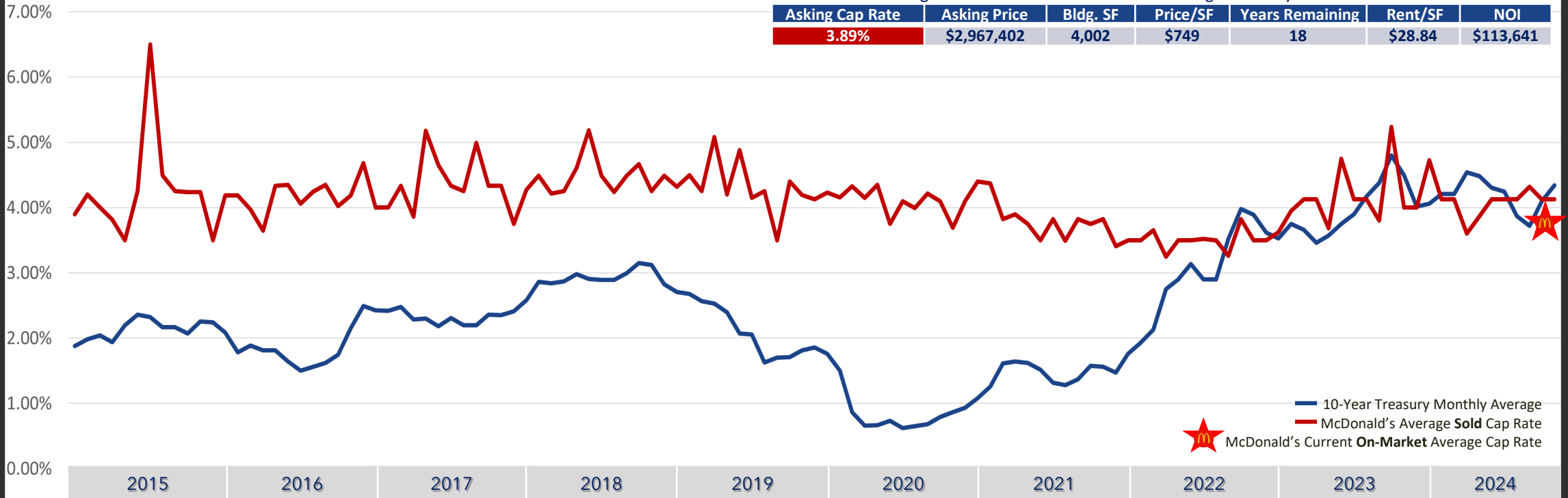


Below considers 145 McDonald's Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.14%	\$2,331,531	4,227	\$553	15	\$23.05	\$94,776

Below are the averages of 21 On-Market McDonald's listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
3.89%	\$2,967,402	4,002	\$749	18	\$28.84	\$113,641



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	4.24%	-	2.14%	-	2.11
2016	4.19%	-0.06	1.84%	-0.30	2.35
2017	4.33%	0.15	2.33%	0.49	2.01
2018	4.47%	0.14	2.91%	0.58	1.56
2019	4.32%	-0.15	2.14%	-0.77	2.18
2020	4.10%	-0.22	0.89%	-1.25	3.20
2021	3.82%	-0.28	1.44%	0.55	2.38
2022	3.50%	-0.32	2.95%	1.51	0.55
2023	4.13%	0.63	3.96%	1.01	0.17
2024*	4.13%	0.00	4.19%	0.23	-0.06

Note: *2024 Data is based on data through November 2024.

Average: 1.64



WALGREENS vs. 10-YEAR TREASURY

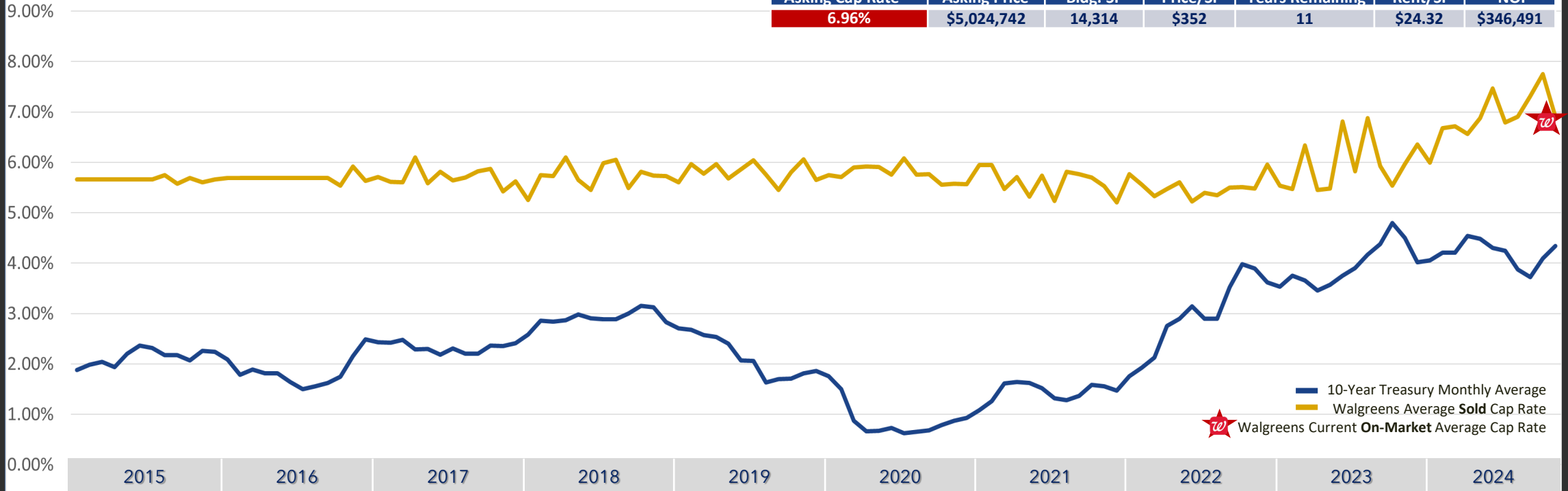


Below considers 303 Walgreens Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.78%	\$6,358,568	14,476	\$441	13	\$25.27	\$364,236

Below are the averages of 200 On-Market Walgreens listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.96%	\$5,024,742	14,314	\$352	11	\$24.32	\$346,491



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.66%	-	2.14%	-	3.52
2016	5.69%	0.04	1.84%	-0.30	3.85
2017	5.71%	0.01	2.33%	0.49	3.38
2018	5.73%	0.02	2.91%	0.58	2.82
2019	5.80%	0.07	2.14%	-0.77	3.66
2020	5.77%	-0.03	0.89%	-1.25	4.88
2021	5.61%	-0.16	1.44%	0.55	4.17
2022	5.51%	-0.10	2.95%	1.51	2.56
2023	5.97%	0.45	3.96%	1.01	2.01
2024*	6.91%	0.94	4.19%	0.23	2.72

Note: *2024 Data is based on data through November 2024.

Average: 3.36

JAN 2015 - NOV 2024



CVS PHARMACY vs. 10-YEAR TREASURY



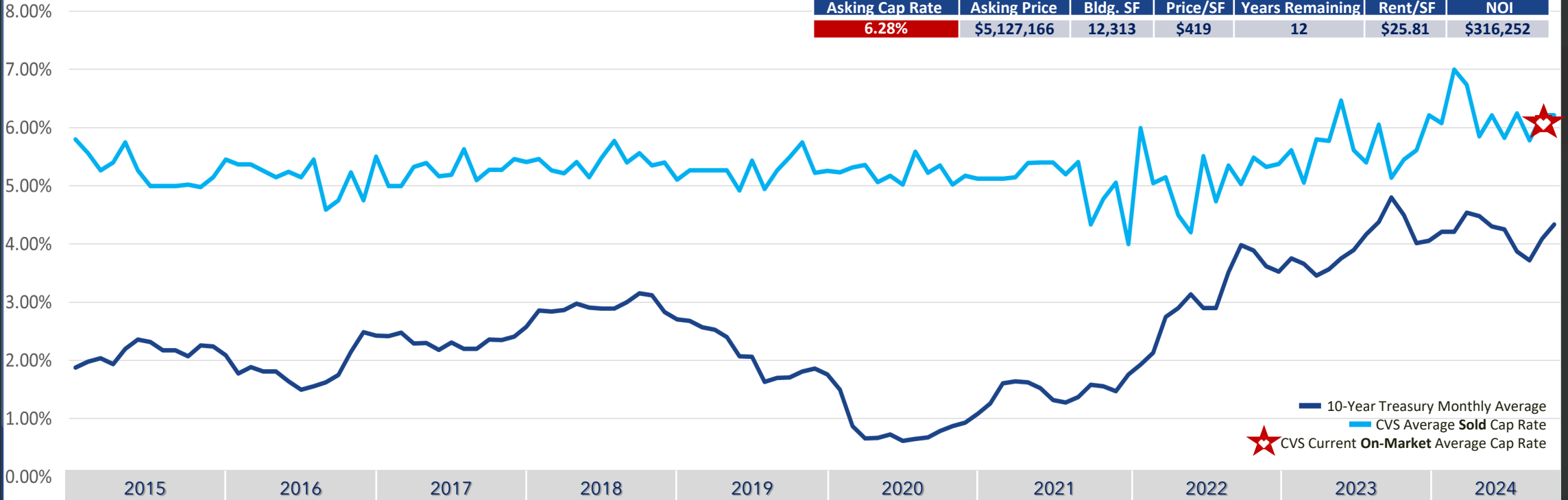
JAN 2015 - NOV 2024

Below considers **223** CVS stores **Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.29%	\$6,369,897	12,716	\$502	18	\$26.37	\$334,496

Below are the averages of **103 On-Market** CVS listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.28%	\$5,127,166	12,313	\$419	12	\$25.81	\$316,252



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.27%	-	2.14%	-	3.13
2016	5.15%	-0.12	1.84%	-0.30	3.31
2017	5.28%	0.13	2.33%	0.49	2.95
2018	5.41%	0.13	2.91%	0.58	2.50
2019	5.27%	-0.14	2.14%	-0.77	3.13
2020	5.23%	-0.04	0.89%	-1.25	4.34
2021	5.12%	-0.11	1.44%	0.55	3.68
2022	5.03%	-0.10	2.95%	1.51	2.08
2023	5.61%	0.59	3.96%	1.01	1.66
2024*	6.22%	0.60	4.19%	0.23	2.03

Note: *2024 Data is based on data through November 2024.

Average: 2.88





7-ELEVEN vs. 10-YEAR TREASURY



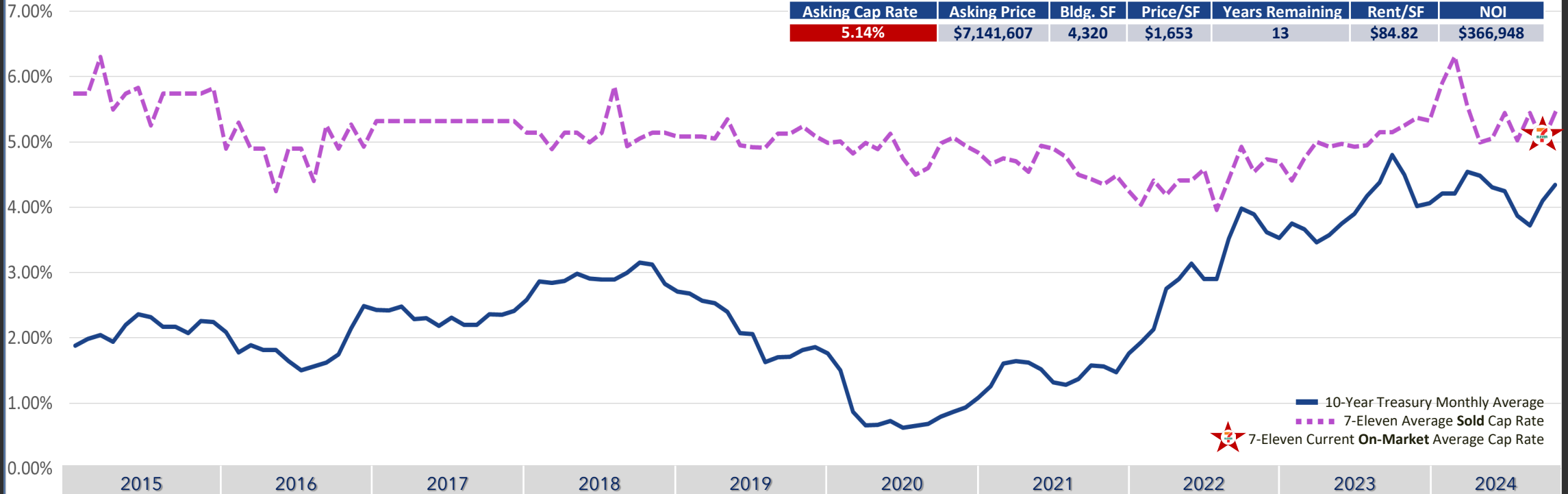
JAN 2015 - NOV 2024

Below considers **214** 7-Elevens Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.87%	\$5,384,445	3,748	\$1,460	14	\$70.83	\$260,583

Below are the averages of **71 On-Market** 7-Eleven listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.14%	\$7,141,607	4,320	\$1,653	13	\$84.82	\$366,948



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.74%	-	2.14%	-	3.60
2016	4.90%	-0.84	1.84%	-0.30	3.06
2017	5.32%	0.42	2.33%	0.49	2.99
2018	5.14%	-0.18	2.91%	0.58	2.23
2019	5.08%	-0.06	2.14%	-0.77	2.94
2020	4.89%	-0.20	0.89%	-1.25	3.99
2021	4.66%	-0.23	1.44%	0.55	3.21
2022	4.41%	-0.25	2.95%	1.51	1.46
2023	4.96%	0.56	3.96%	1.01	1.01
2024*	5.41%	0.45	4.19%	0.23	1.22

Note: *2024 Data is based on data through November 2024.

Average: 2.57





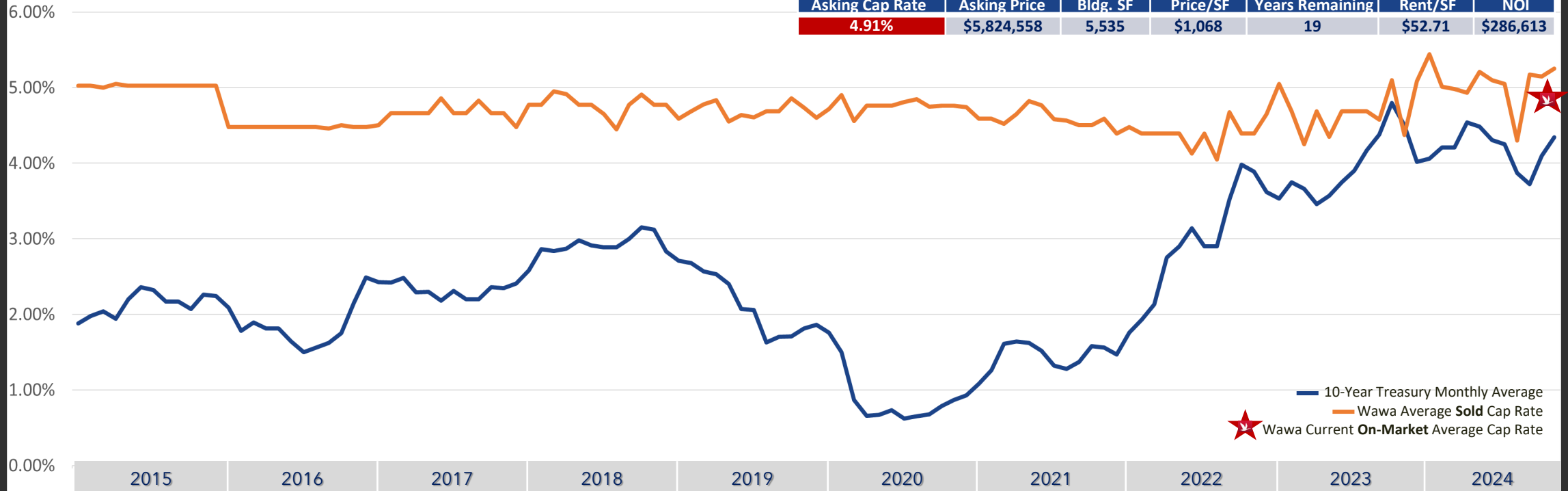
WAWA vs. 10-YEAR TREASURY

Below considers **134 Wawas Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.75%	\$5,995,365	5,590	\$1,085	19	\$52.08	\$283,245

Below are the averages of **35 On-Market Wawa listings** with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.91%	\$5,824,558	5,535	\$1,068	19	\$52.71	\$286,613



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.03%	-	2.14%	-	2.89
2016	4.48%	-0.55	1.84%	-0.30	2.64
2017	4.67%	0.18	2.33%	0.49	2.34
2018	4.78%	0.11	2.91%	0.58	1.87
2019	4.69%	-0.09	2.14%	-0.77	2.54
2020	4.76%	0.07	0.89%	-1.25	3.87
2021	4.59%	-0.17	1.44%	0.55	3.15
2022	4.39%	-0.19	2.95%	1.51	1.44
2023	4.68%	0.29	3.96%	1.01	0.73
2024*	5.05%	0.37	4.19%	0.23	0.86

Note: *2024 Data is based on data through November 2024.

Average: 2.23

Cap Rate Report | December 2024



JAN 2015 - NOV 2024





AUTOZONE vs. 10-YEAR TREASURY

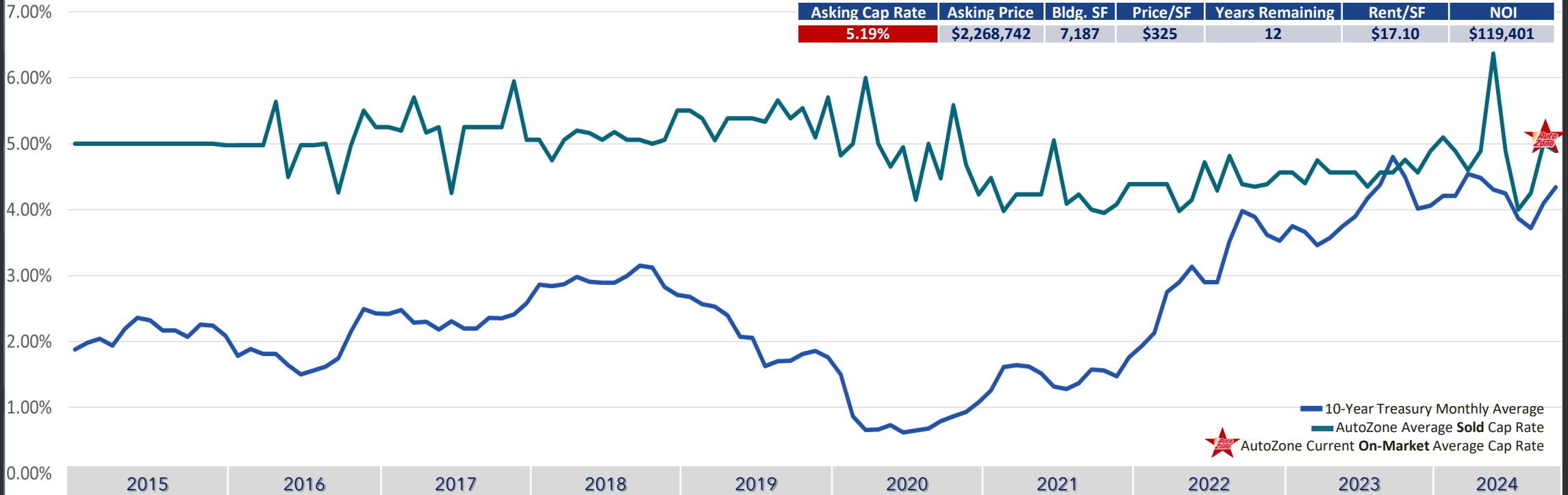


Below considers **80** AutoZones **Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.91%	\$1,770,378	7,155	\$250	14	\$12.25	\$86,874

Below are the averages of **6 On-Market** AutoZone listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.19%	\$2,268,742	7,187	\$325	12	\$17.10	\$119,401



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.00%	-	2.14%	-	2.86%
2016	4.98%	-0.02	1.84%	-0.30	3.14%
2017	5.25%	0.27	2.33%	0.49	2.93%
2018	5.06%	-0.20	2.91%	0.58	2.15%
2019	5.38%	0.33	2.14%	-0.77	3.24%
2020	5.00%	-0.38	0.89%	-1.25	4.11%
2021	4.23%	-0.77	1.44%	0.55	2.79%
2022	4.38%	0.15	2.95%	1.51	1.43%
2023	4.57%	0.18	3.96%	1.01	0.61%
2024*	4.89%	0.32	4.19%	0.23	0.70%

Note: *2024 Data is based on data through November 2024.

Average: 2.40

JAN 2015 - NOV 2024



CASUAL DINING vs. 10-YEAR TREASURY



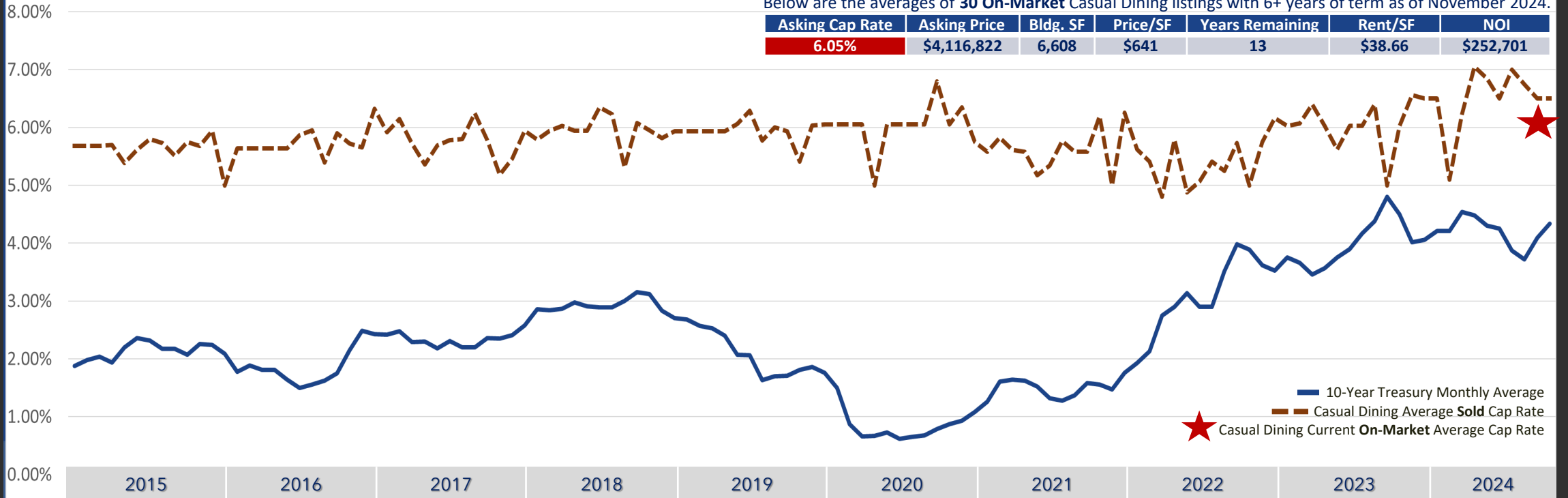
JAN 2015 - NOV 2024

Below considers 155 Casual Dining restaurants Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.83%	\$4,035,868	7,463	\$549	17	\$32.04	\$235,168

Below are the averages of 30 On-Market Casual Dining listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.05%	\$4,116,822	6,608	\$641	13	\$38.66	\$252,701



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.68%	-	2.14%	-	3.54
2016	5.64%	-0.04	1.84%	-0.30	3.80
2017	5.79%	0.14	2.33%	0.49	3.46
2018	5.94%	0.16	2.91%	0.58	3.03
2019	5.93%	-0.01	2.14%	-0.77	3.79
2020	6.05%	0.12	0.89%	-1.25	5.16
2021	5.58%	-0.47	1.44%	0.55	4.14
2022	5.41%	-0.17	2.95%	1.51	2.46
2023	6.03%	0.62	3.96%	1.01	2.07
2024*	6.50%	0.47	4.19%	0.23	2.31

Note: *2024 Data is based on data through November 2024.

Average: 3.38

GROCERY vs. 10-YEAR TREASURY



Below considers **73** Grocery stores **Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.99%	\$17,680,357	67,812	\$263	14	\$15.27	\$1,030,418

Below are the averages of **17 On-Market** Grocery listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.75%	\$14,999,925	64,958	\$224	14	\$12.70	\$841,990



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	6.77%	-	2.14%	-	4.63
2016	6.30%	-0.46	1.84%	-0.30	4.46
2017	6.30%	-0.01	2.33%	0.49	3.97
2018	6.26%	-0.04	2.91%	0.58	3.35
2019	6.01%	-0.25	2.14%	-0.77	3.86
2020	5.96%	-0.05	0.89%	-1.25	5.07
2021	6.19%	0.23	1.44%	0.55	4.75
2022	4.73%	-1.46	2.95%	1.51	1.78
2023	6.35%	1.62	3.96%	1.01	2.39
2024*	5.97%	-0.39	4.19%	0.23	1.78

Note: *2024 Data is based on data through November 2024.

Average: 3.60

BIG BOX vs. 10-YEAR TREASURY

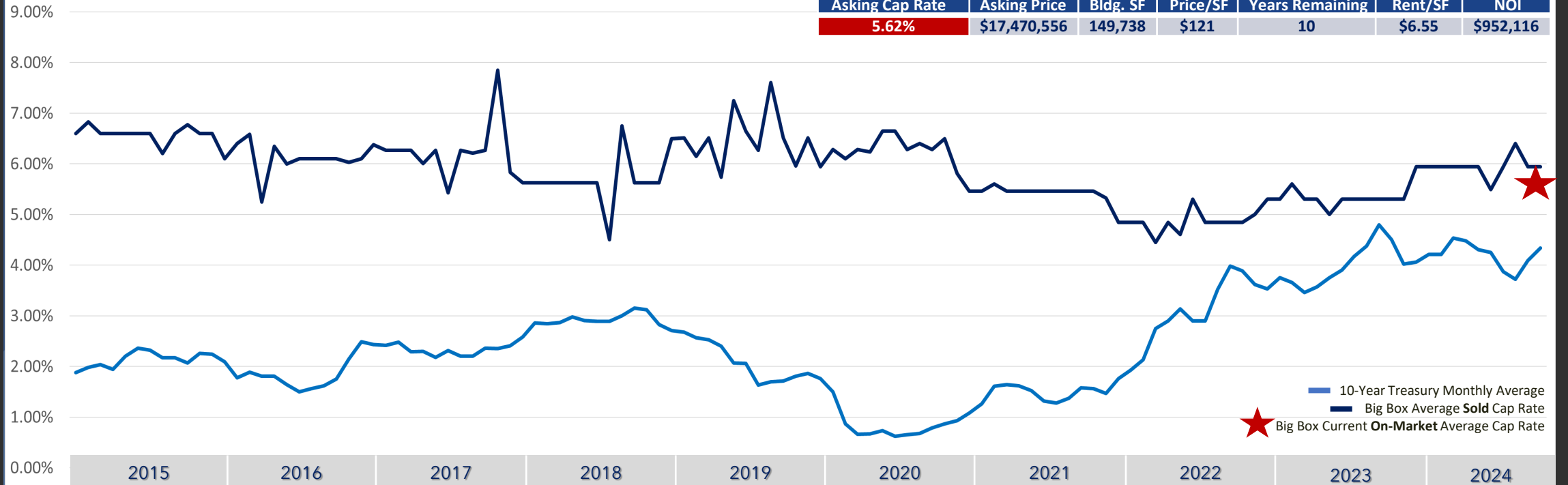


Below considers 64 Big Box stores Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.06%	\$17,709,794	130,844	\$144	12	\$8.63	\$1,060,774

Below are the averages of 9 On-Market Big Box listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.62%	\$17,470,556	149,738	\$121	10	\$6.55	\$952,116



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	6.60%	-	2.14%	-	4.46
2016	6.10%	-0.50	1.84%	-0.30	4.26
2017	6.28%	0.17	2.33%	0.49	3.95
2018	5.63%	-0.65	2.91%	0.58	2.72
2019	6.51%	0.89	2.14%	-0.77	4.37
2020	6.29%	-0.23	0.89%	-1.25	5.39
2021	5.46%	-0.82	1.44%	0.55	4.02
2022	4.84%	-0.62	2.95%	1.51	1.89
2023	5.30%	0.46	3.96%	1.01	1.34
2024*	5.95%	0.64	4.19%	0.23	1.76

Note: *2024 Data is based on data through November 2024.

Average: 3.42



CHIPOTLE 10-YEAR TREASURY

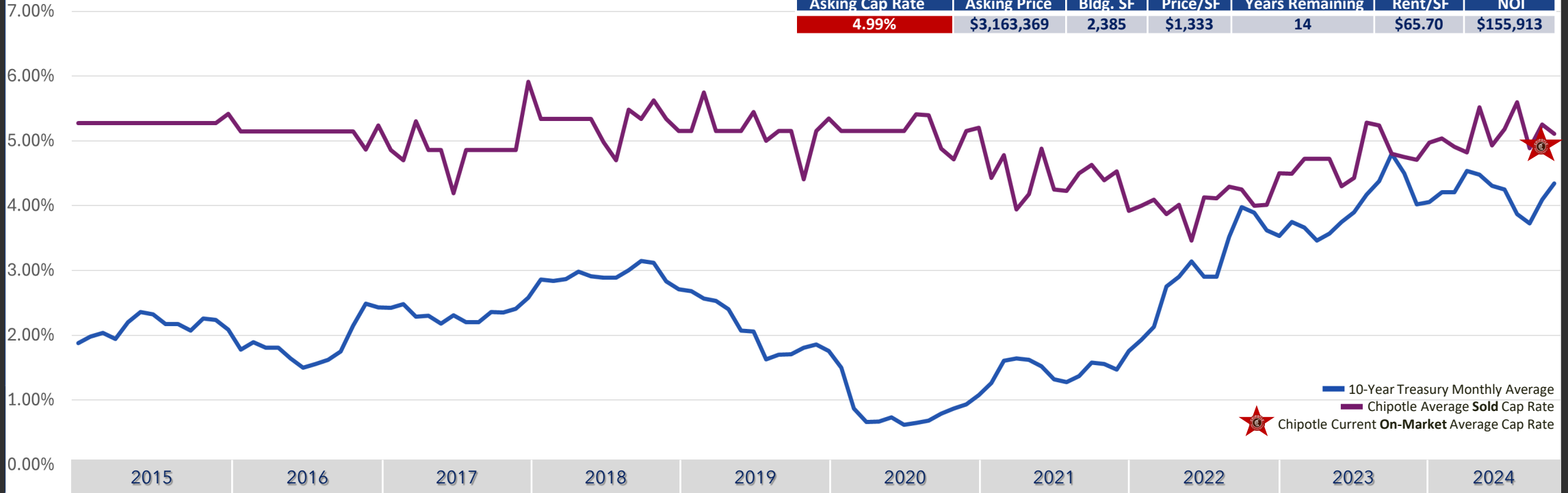


Below considers **133** Chipotle stores Sold with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.72%	\$2,754,770	2,505	\$1,116	13	\$51.54	\$127,477

Below are the averages of **52 On-Market** Chipotle listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
4.99%	\$3,163,369	2,385	\$1,333	14	\$65.70	\$155,913



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.28%	-	2.14%	-	3.14
2016	5.14%	-0.13	1.84%	-0.30	3.30
2017	4.86%	-0.29	2.33%	0.49	2.53
2018	5.34%	0.48	2.91%	0.58	2.43
2019	5.15%	-0.19	2.14%	-0.77	3.01
2020	5.15%	0.00	0.89%	-1.25	4.26
2021	4.49%	-0.66	1.44%	0.55	3.05
2022	4.01%	-0.48	2.95%	1.51	1.06
2023	4.72%	0.71	3.96%	1.01	0.76
2024*	5.11%	0.39	4.19%	0.23	0.92

Note: *2024 Data is based on data through November 2024.

Average: 2.45





STARBUCKS 10-YEAR TREASURY



Below considers **253 Starbucks stores Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.35%	\$2,307,672	2,270	\$1,039	9	\$54.57	\$121,660

Below are the averages of **165 On-Market Starbucks listings** with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
5.73%	\$2,782,462	2,253	\$1,291	10	\$72.96	\$157,819



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	5.69%	-	2.14%	-	3.55
2016	5.65%	-0.04	1.84%	-0.30	3.81
2017	5.26%	-0.39	2.33%	0.49	2.93
2018	5.78%	0.52	2.91%	0.58	2.87
2019	5.52%	-0.26	2.14%	-0.77	3.37
2020	5.46%	-0.06	0.89%	-1.25	4.56
2021	5.12%	-0.33	1.44%	0.55	3.68
2022	4.80%	-0.32	2.95%	1.51	1.85
2023	5.44%	0.64	3.96%	1.01	1.48
2024*	5.68%	0.24	4.19%	0.23	1.49

Note: *2024 Data is based on data through November 2024.

Average: 2.96

JAN 2015 - NOV 2024



URGENT CARE vs. 10-YEAR TREASURY

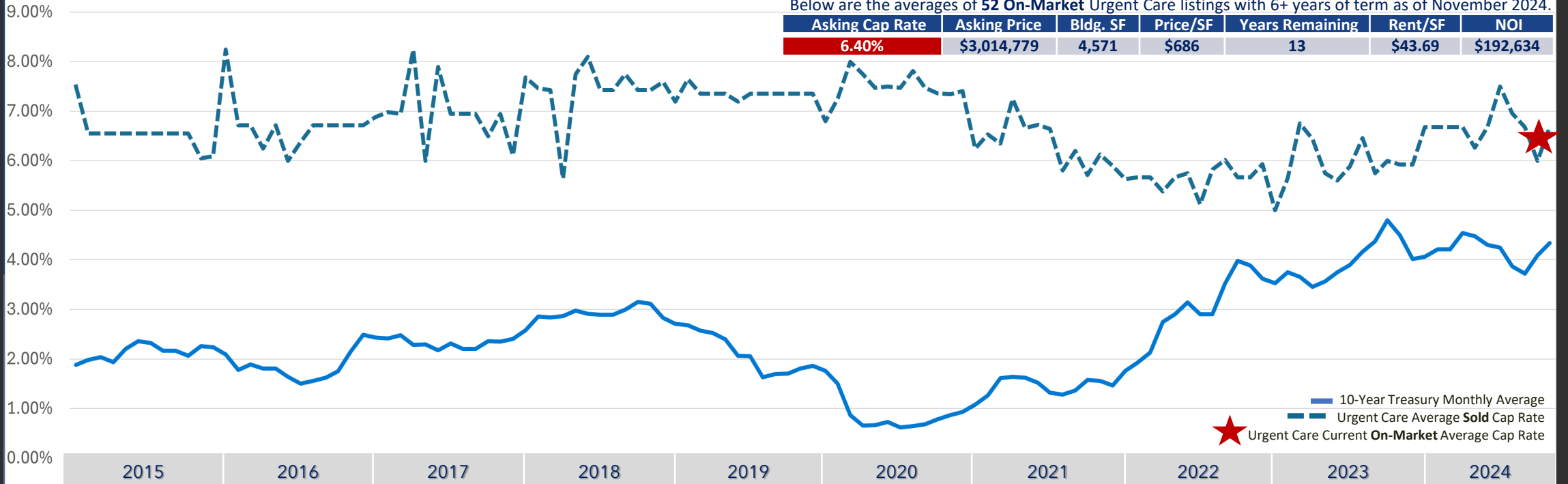


Below considers **102 Urgent Care facilities Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.61%	\$2,235,420	4,193	\$560	12	\$35.90	\$142,078

Below are the averages of **52 On-Market Urgent Care listings** with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.40%	\$3,014,779	4,571	\$686	13	\$43.69	\$192,634



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	6.55%	-	2.14%	-	4.41
2016	6.72%	0.17	1.84%	-0.30	4.88
2017	6.95%	0.23	2.33%	0.49	4.62
2018	7.42%	0.48	2.91%	0.58	4.51
2019	7.35%	-0.07	2.14%	-0.77	5.21
2020	7.47%	0.12	0.89%	-1.25	6.57
2021	6.35%	-1.12	1.44%	0.55	4.90
2022	5.66%	-0.68	2.95%	1.51	2.71
2023	5.93%	0.26	3.96%	1.01	1.97
2024*	6.68%	0.75	4.19%	0.23	2.49

Note: *2024 Data is based on data through November 2024.

Average: 4.23

MEDICAL OUTPATIENT vs. 10-YEAR TREASURY

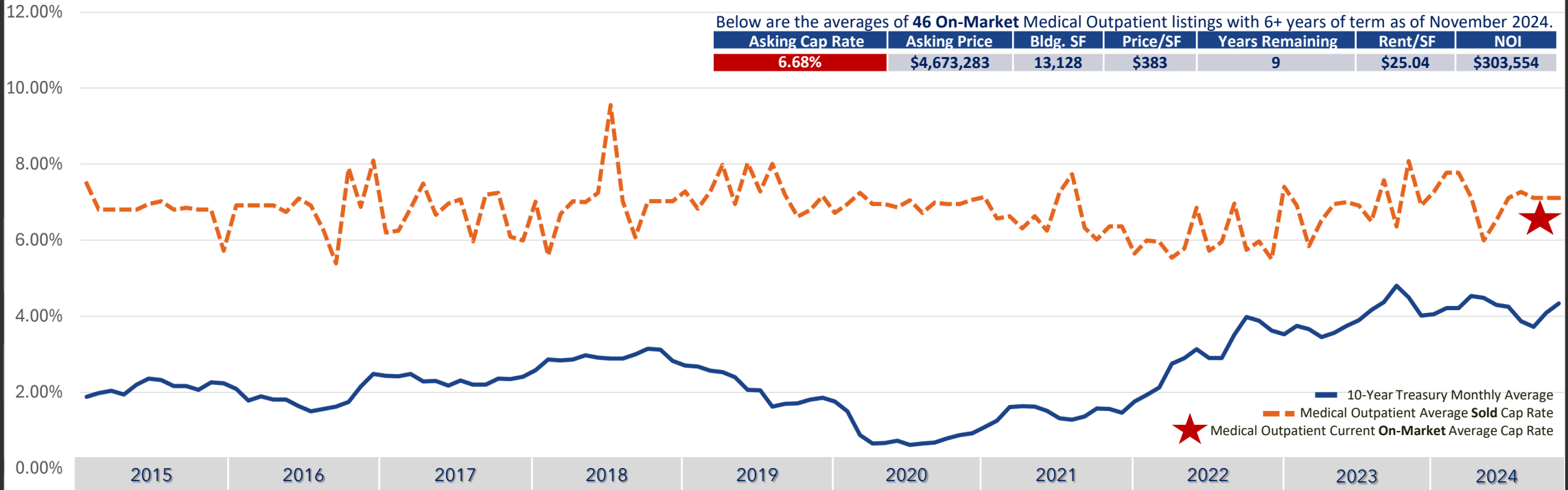


Below considers **147** Medical Outpatient facilities **Sold** with 6+ years of term between 2015 and November 2024.

Sale Cap Rate	Sale Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.77%	\$4,478,260	12,407	\$371	10	\$27.07	\$295,787

Below are the averages of **46 On-Market** Medical Outpatient listings with 6+ years of term as of November 2024.

Asking Cap Rate	Asking Price	Bldg. SF	Price/SF	Years Remaining	Rent/SF	NOI
6.68%	\$4,673,283	13,128	\$383	9	\$25.04	\$303,554



Cap Rates usually trail approx. 6 months behind treasury.

Year	Average Cap Rate	Change YoY	Average 10-Year Treasury Rate	Change YoY	Spread (BPS)
2015	6.81%	-	2.14%	-	4.68
2016	6.91%	0.10	1.84%	-0.30	5.07
2017	6.67%	-0.25	2.33%	0.49	4.34
2018	7.03%	0.36	2.91%	0.58	4.12
2019	7.29%	0.26	2.14%	-0.77	5.14
2020	6.95%	-0.33	0.89%	-1.25	6.06
2021	6.64%	-0.32	1.44%	0.55	5.20
2022	5.97%	-0.67	2.95%	1.51	3.02
2023	6.92%	0.95	3.96%	1.01	2.96
2024*	7.11%	0.19	4.19%	0.23	2.92

Note: *2024 Data is based on data through November 2024.

Average: 4.35

CAP RATES: WHERE HAVE THEY BEEN? WHERE ARE THEY GOING? Updated: December 2024



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