

# Terreno Realty Corporation

## **Q4 2014 Update**

February 11, 2015



# Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact are forward-looking statements and, in some cases, can be identified by the use of the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “might”, “plan”, “project”, “result”, “should”, “will”, “opportunity” and similar expressions. These statements are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or projected.

We caution investors that forward-looking statements are based on management’s beliefs and on assumptions made by, and information currently available to, management. Factors that may cause actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, but are not limited to: (i) our ability to identify and acquire industrial properties on terms favorable to us; (ii) general volatility of the capital markets and the market price of our stock; (iii) adverse economic or real estate conditions or developments in the industrial real estate sector and/or in the markets in which we acquire properties; (iv) our dependence on key personnel and our reliance on third parties to property manage the majority of our industrial properties; (v) our dependence upon tenants; (vi) our ability to comply with the laws, rules and regulations applicable to companies, and in particular, public companies; (vii) our ability to manage our growth effectively; (viii) tenant bankruptcies and defaults on or non-renewal of leases by tenants; (ix) decreased rental rates or increased vacancy rates; (x) increased interest rates and operating costs; (xi) declining real estate valuations and impairment charges; (xii) our expected leverage, our failure to obtain necessary outside financing, and future debt obligations; (xiii) our ability to make distributions to our stockholders; (xiv) our failure to successfully hedge against interest rate increases; (xv) our failure to successfully operate acquired properties; (xvi) our failure to maintain our status as a real estate investment trust (“REIT”) and possible adverse changes to tax laws; (xvii) uninsured or underinsured losses relating to our properties; (xviii) environmental uncertainties and risks related to natural disasters; (xix) financial market fluctuations; and (xx) changes in real estate and zoning laws and increases in real property tax rates. Other factors that could materially affect results can be found in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014, including those set forth under the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in the Company’s preliminary prospectus supplement relating to the offering under the section titled “Risk Factors”, and in our other public filings.

We expressly disclaim any responsibility to update our forward-looking statements, whether as a result of new information, future events, or otherwise. Accordingly, investors should use caution in relying on past forward-looking statements, which are based on results and trends at the time they are made, to anticipate future results or trends.

# Investment Strategy

## Unique and Highly Selective Market Approach

- Acquire, own and operate industrial real estate in six major coastal U.S. markets. Exclusively.
  - Mix of core and value-add investments
  - No ground up development
  - No complex joint ventures
- Superior market fundamentals, including lower availability and higher rent growth
  - Strong demand generators (high population densities, near high volume distribution points)
  - Physical and regulatory constraints to new supply

## Focus on Functional Assets in Infill Locations

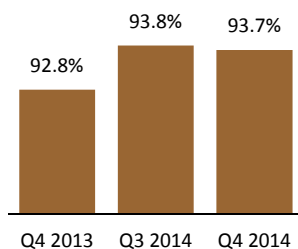
- Broad product opportunity set<sup>(1)</sup>
  - Warehouse / distribution (88.8%)
  - Flex (including light industrial and R&D) (9.4%)
  - Trans-shipment (1.8%)
- Functional and flexible assets
  - Generally suitable for multiple tenants
  - In proximity to transportation infrastructure
  - Caters to sub-market tenant demands
- Multiple value creation opportunities
  - Emphasis on discount to replacement cost to provide for margin of safety
  - Opportunity for higher and better use over time

(1) Reflects Terreno portfolio composition based on square footage at December 31, 2014

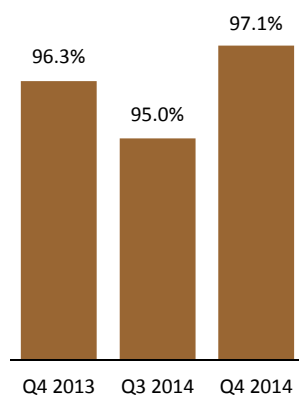
# Recent Highlights

## Occupancy

### Portfolio



### Same Store



## Acquisitions

- During 2014, closed approximately \$235.7 million of acquisitions comprising approximately 2.3 million square feet. In addition, completed a 190,000 square foot expansion at the Interstate property in New Jersey for an estimated total investment of approximately \$13.6M
- Subsequent to December 31, 2014, closed approximately \$125.4 million of acquisitions comprising approximately 0.9 million square feet
- As of February 11, 2015, \$77.7 million of acquisitions were under contract and \$3.2 million were under letter of intent<sup>(1)</sup>

## Operating and Capital Markets Highlights

- Cash-basis same store NOI growth was 12.9% for the year ended December 31, 2014
- Cash rent changes on new and renewed leases commenced were +8.0% for the year ended December 31, 2014<sup>(2)</sup>
- Issued 9,775,000 shares of common stock at a price per share of \$19.60 on December 9, 2014, generating approximately \$183.0 million in net proceeds
- Added a new \$100.0 million five-year term loan which bears interest at an annual rate of LIBOR plus 1.50% to 2.05% (1.50% at December 31, 2014) depending on leverage and matures in March 2020

(1) There is no assurance that we will acquire the properties under contract or letter of intent because the proposed acquisitions are subject to the completion of satisfactory due diligence and various closing conditions and, in the case of properties under letter of intent, purchase and sale agreements.

(2) Cash rent change is calculated as the difference, weighted by square feet, of the net base rent due the first month of the new lease term and the net base rent due the last month of the former lease term. If free rent is given, then the first positive full rent value is used. Rental amounts exclude base stop amounts and holdover rent. The calculation excludes month-to-month, former or current lease terms of less than 12 months and circumstances where there is no prior lease for comparison.

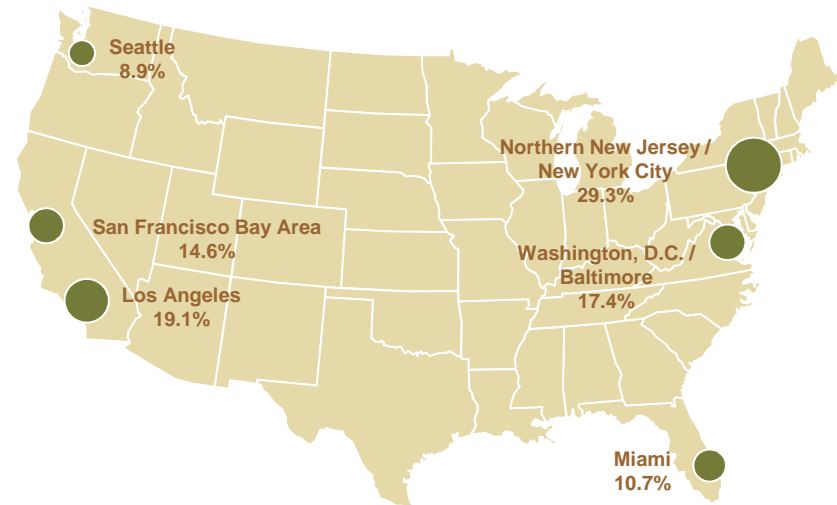


# Current Portfolio Overview

## Key Metrics<sup>(1)</sup>

<b>Square Feet</b>	9.3 million
<b>Number of Buildings</b>	126
<b>Total Investments in Properties</b>	\$901.3 million
<b>Average Acquisition Size</b>	\$11.7 million
<b>Weighted Average Occupancy at Acquisition</b>	80.9%
<b>Occupancy as of December 31, 2014</b>	93.7%

## Current Portfolio by Geography <sup>(2)</sup>



(1) Properties owned as of December 31, 2014

(2) Based on purchase price by market aggregating approximately 9.3 million square feet owned at December 31, 2014

# Selected Recent Acquisitions

## V Street

Washington, DC  
January 29, 2015

- Purchase Price: \$115.5 million
- Estimated Stabilized Cap Rate: 5.8%
- Size: Six industrial buildings, 820,000 square feet on approximately 18.9 acres
- Occupancy: 87% leased to 22 tenants at acquisition
- Location: One block from New York Avenue/Route 50 in the northeastern section of the District of Columbia



## Ardmore

Landover, MD  
December 17, 2014

- Purchase Price: \$31.2 million
- Estimated Stabilized Cap Rate: 6.2%
- Size: Five industrial buildings, 384,000 square feet on approximately 18.9 acres
- Occupancy: 89% leased to 22 tenants at acquisition
- Location: Three miles from District of Columbia and adjacent to Highway 50



## Miller

Fontana, CA  
December 2, 2014

- Purchase Price: \$22.9 million
- Estimated Stabilized Cap Rate: 5.4%
- Size: One cross-dock industrial distribution building, 265,500 square feet
- Occupancy: 100% leased to one tenant at acquisition
- Location: Approximately six miles from the intersection of Interstates 10 and 15 in the western Inland Empire



# Selected Examples of Value Creation

- In addition to the acquisition and operation of core properties, Terreno has successfully stabilized 24 of 37 value-added investments to date. Since its IPO, approximately 45% of Terreno's acquisitions have been value-add investments

Strategy	Examples
<b>Repositioning of Vacant Properties</b>	<ul style="list-style-type: none"> <li>240 Littlefield: A vacant 85,000 square foot building was acquired and substantially renovated by removing approximately 15,500 square feet of building and adding 11 dock high loading positions and trailer storage creating a 69,500 square foot rear-load distribution facility. In May 2014, Terreno executed a long term lease with a leading national airline catering company upon redevelopment completion.</li> <li>78<sup>th</sup> Avenue: A 75,000 square foot property in Miami's Airport West submarket, which previously had not been leased for over 5 years as it required substantial renovation. Terreno renovated the property including reconfiguring the office and upgrading the overall condition of the exterior, warehouse and truck court. In May 2013, Terreno executed a long term lease with a packaging and printing company.</li> </ul>
<b>Vacant and Near Term Lease Expirations</b>	<ul style="list-style-type: none"> <li>Americas Gateway: The Doral, FL property was purchased 70% occupied and was 97% leased as of December 31, 2014.</li> <li>Las Hermanas: Acquired this Compton, CA property in June 2014 via a short-term sale-leaseback with the warehouse tenant expiring in three months. In August 2014, executed a long term lease with a tenant for the entire warehouse.</li> </ul>
<b>Value Realized</b>	<ul style="list-style-type: none"> <li>Rialto: The San Bernardino trans-shipment property was acquired for approximately \$12.1 million in September 2010. After the tenant restructured its debt and renegotiated its labor contracts, Terreno realized value by selling the property for approximately \$17.0 million in November 2012 and recycled the capital into new acquisitions.</li> <li>Maltese: Terreno acquired a Totowa, NJ distribution building in September 2010 for approximately \$16.5 million. Terreno realized value by selling the property to the tenant for approximately \$19.0 million and recycled the capital into new acquisitions.</li> </ul>



# Value Creation – Americas Gateway



- **Location:** Doral, FL
- **Size:** Six buildings, 307,000 SF
- **Acquisition Price:** \$23.7 million, \$77.3 Psf
- **Estimated Stabilized Cap Rate:** 6.7%
- **Occupancy:** 70% occupied at acquisition; 97% leased at December 31, 2014
- **Product Type:** Rear-load Warehouse

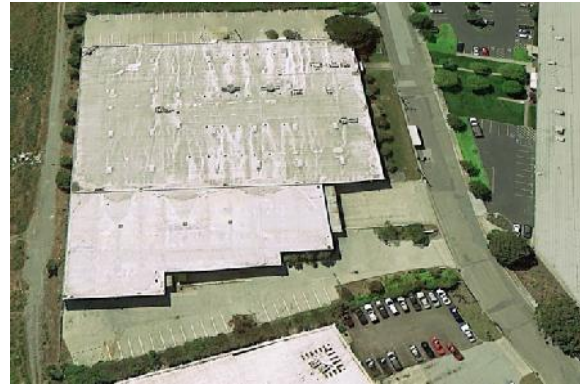
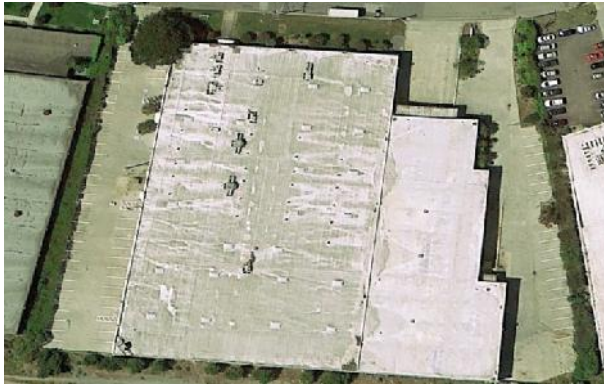
**Value Creation – Six Building Portfolio located in Doral, Florida, acquired with vacancy and near-term lease roll. Stabilized in Q4 2014.**





# Value Creation – 240 Littlefield

## BEFORE



## AFTER



- **Location:** South San Francisco, CA
- **Size:** One building, 69,500 SF
- **Acquisition Price:** \$8.4 million, \$114 Psf
- **Occupancy:** Vacant at acquisition; lease executed during approximate \$2.6 million redevelopment
- **Redevelopment:** Removed 15,500 square feet and added 11 dock-loading position and trailer storage

**Value Creation – Redeveloped building acquired vacant. Executed a 15-year lease for 100% of the building, immediately after redevelopment completion.**

# Market Leading Corporate Structure

## Management Alignment

- Executive Team's long-term incentive compensation fully aligned with stockholders; tied solely to three-year total stockholder return exceeding the MSCI U.S. REIT Index and FTSE NAREIT Equity Industrial Index
  - No annual cash bonus plan for CEO and President with their long-term incentive compensation paid solely in stock
- No stock options, SARs, dividend equivalent units or UPREIT units
- Significant senior management and board investment in common shares (approximately 4% of outstanding shares)

## Corporate Governance

- Majority independent directors with diverse expertise serving annual terms
- Adopted a majority voting standard in non-contested director elections
- Opted out of two Maryland anti-takeover provisions (no opt in without stockholder approval)
- Ownership limits designed to protect REIT status and not for the purpose of serving as an anti-takeover device
- No stockholder rights plan intended unless approved in advance by stockholders or if adopted, subject to termination if not ratified by stockholders within 12 months

# Key Takeaways

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- Focused strategy
  - Six major coastal US markets exclusively
  - Flexible and functional assets in infill locations
- Increasing acquisition opportunities across our target markets at discounts to replacement cost
  - Ability to convert value-add investments into stabilized assets and realize value
- Strong balance sheet
- Aligned management team and market leading corporate governance
  - CEO and President incentive compensation based solely on total shareholder return outperformance and CFO and other senior officers' long-term incentive compensation based on total shareholder return performance
  - Executive management invested approximately \$11 million in common shares through the company's public offerings and open market purchases



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# Appendix

# Appendix: Statements Of Operations

CONSOLIDATED STATEMENTS OF OPERATIONS	For the Three Months Ended		For the Year Ended December 31,	
	December 31,		December 31,	
	2014	2013	2014	2013
<b>REVENUES</b>				
Rental revenues	\$ 14,860	\$ 10,426	\$ 54,128	\$ 35,871
Tenant expense reimbursements	3,887	2,743	14,747	9,658
Total revenues	18,747	13,169	68,875	45,529
<b>COSTS AND EXPENSES</b>				
Property operating expenses	5,172	3,630	19,161	12,771
Depreciation and amortization	5,123	3,686	19,170	12,481
General and administrative <sup>(1)</sup>	1,842	2,253	9,496	8,423
Acquisition costs	1,968	1,437	3,740	3,298
Total costs and expenses	14,105	11,006	51,567	36,973
<b>OTHER INCOME (EXPENSE)</b>				
Interest and other income	1	3	1	109
Interest expense, including amortization	(1,869)	(1,604)	(6,591)	(6,214)
Total other income and expenses	(1,868)	(1,601)	(6,590)	(6,105)
Income from continuing operations	2,774	562	10,718	2,451
Discontinued operations				
Income from discontinued operations	-	360	-	1,412
Gain on sales of real estate investments	-	2,778	-	2,778
Income from discontinued operations	-	3,138	-	4,190
Net income	2,774	3,700	10,718	6,641
Preferred stock dividends	(891)	(891)	(3,565)	(3,565)
Net income, net of preferred stock dividends	1,883	2,809	7,153	3,076
Allocation to participating securities	(3)	(19)	(27)	(20)
Net income available to common stockholders, net of preferred stock dividends	\$ 1,880	\$ 2,790	\$ 7,126	\$ 3,056
<b>EARNINGS PER COMMON SHARE - BASIC AND DILUTED:</b>				
Income (loss) from continuing operations available to common stockholders, net of preferred stock dividends	\$ 0.05	\$ (0.01)	\$ 0.23	\$ (0.05)
Income from discontinued operations	-	0.12	-	0.20
Net income available to common stockholders, net of preferred stock dividends	\$ 0.05	\$ 0.11	\$ 0.23	\$ 0.15
<b>BASIC AND DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING</b>				
	35,381,477	24,833,304	30,433,017	21,011,276

- (1) Includes non-cash compensation associated with the Company's Performance Share Awards. The Company estimates the fair value of the Performance Share Awards using a Monte Carlo simulation model on the date of grant and at each reporting period. The Performance share Awards are recognized as compensation expense over the requisite performance period based on the fair value of the Performance Share Awards at the balance sheet date. Compensation expense related to the Performance Share awards was as follows:

	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2014	2013	2014	2013
Performance share award expense	\$ (525)	\$ 291	\$ 682	\$ 934

# Appendix: Supplemental Components of NAV

COMPONENTS OF NET OPERATING INCOME	For the Three Months Ended December 31,
Total revenues	\$ 18,747
Less straight-line rents	(673)
Less amortization of lease intangibles	(317)
Less property operating expenses	(5,172)
Net operating income	\$ 12,585
<b>CONTRACTUAL RENT ABATEMENTS <sup>(1)</sup></b>	\$ 294
<b>ADJUSTMENTS TO STABILIZE PORTFOLIO</b>	
<b>BALANCE SHEET ITEMS</b>	
<b>Other assets and liabilities</b>	
Cash and cash equivalents	\$ 190,601
Restricted cash	6,963
Other assets, net	14,074
Less straight-line rents	(9,158)
Security deposits	(5,315)
Dividends payable	(6,859)
Accounts payable and other liabilities	(9,499)
Total other assets and liabilities	\$ 180,807
<b>DEBT AND PREFERRED STOCK</b>	
Credit facility	\$ -
Term loans payable	(200,000)
Mortgage loans payable	(104,501)
Total debt	\$ (304,501)
Preferred stock	\$ (46,000)
Total debt and preferred stock	\$ (350,501)
Total shares outstanding	42,869,463

## Q4 2014 Acquisitions

Property Name	Date	Purchase Price (in thousands)	Estimated Stabilized Cap Rate	Leased % at Acquisition
3401 Lind	October 3, 2014	\$ 9,975	5.5%	100%
900 Hart	October 8, 2014	7,205	6.1%	52%
Kent 216th	October 24, 2014	9,214	5.6%	100%
9020 Junction	November 17, 2014	13,800	7.6%	100%
11300 NW 131st	November 19, 2014	8,925	5.5%	100%
Terminal Way	November 25, 2014	7,445	5.7%	100%
14605 Miller	December 2, 2014	22,899	5.4%	100%
Park Union City	December 10, 2014	23,800	5.7%	99%
75th Ave	December 17, 2014	31,215	6.2%	89%
Total/Weighted Average		\$ 134,478	5.9%	95%

## SUMMARY MARKET INFORMATION (Investments in Real Estate)

Market	Rentable Square Feet	Occupancy Percentage as of December 31, 2014	Annualized Base Rent (000's)	Annualized Base Rent Per Occupied Square Foot
Los Angeles <sup>(2)</sup>	1,568,571	92.6%	\$ 9,684	\$ 6.67
Northern New Jersey/New York City	2,604,563	85.9%	17,791	7.95
San Francisco Bay Area	1,043,891	99.6%	10,217	9.83
Seattle	904,914	95.9%	5,252	6.05
Miami	1,333,243	99.2%	8,904	6.73
Washington, D.C./Baltimore	1,796,484	97.5%	11,928	6.81
Total/Weighted Average	9,251,666	93.7%	\$ 63,776	\$ 7.35

## SUMMARY MARKET INFORMATION (Improved Land)

Market	Number of Parcels	Acreage	Occupancy Percentage as of December	Annualized Base Rent (000's)
Los Angeles	1	1.2	100.0%	\$ 142
Northern New Jersey/New York City	-	-	0.0%	-
San Francisco Bay Area	-	-	0.0%	-
Seattle	-	-	0.0%	-
Miami	1	2.3	100.0%	202
Washington, D.C./Baltimore	-	-	0.0%	-
Total/Weighted Average	2	1.8	100.0%	\$ 344

(1) Represents contractual free rent given to tenants

(2) Includes the South Main property that is subject to a ground lease until June 30, 2015 that was acquired for a purchase price of \$12.8 million. The ground lease payment provides an actual cap rate of approximately 0.3%. After expiration of the ground lease and releasing any vacancy, the estimated stabilized cap rate is 8.4%

# Appendix: Net Income, FFO and Adjusted FFO

NET INCOME, FFO AND ADJUSTED FFO	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2014	2013	2014	2013
Total revenues	\$ 18,747	\$ 13,169	\$ 68,875	\$ 45,529
Property operating expenses	(5,172)	(3,630)	(19,161)	(12,771)
Depreciation and amortization	(5,123)	(3,686)	(19,170)	(12,481)
General and administrative	(1,842)	(2,253)	(9,496)	(8,423)
Acquisition costs	(1,968)	(1,437)	(3,740)	(3,298)
Interest and other income	1	3	1	109
Interest expense, including amortization	(1,869)	(1,604)	(6,591)	(6,214)
Income from continuing operations	2,774	562	10,718	2,451
Income from discontinued operations	-	3,138	-	4,190
<b>Net income</b>	<b>2,774</b>	<b>3,700</b>	<b>10,718</b>	<b>6,641</b>
Preferred stock dividends	(891)	(891)	(3,565)	(3,565)
<b>Net and comprehensive income, net of preferred stock dividends</b>	<b>\$ 1,883</b>	<b>\$ 2,809</b>	<b>\$ 7,153</b>	<b>\$ 3,076</b>
Allocation to participating securities	(3)	(19)	(27)	(20)
<b>Net and comprehensive income available to common stockholders, net of preferred stock dividends</b>	<b>\$ 1,880</b>	<b>\$ 2,790</b>	<b>\$ 7,126</b>	<b>\$ 3,056</b>
Net income available to common stockholders per common share, net of preferred stock dividends	\$ 0.05	\$ 0.11	\$ 0.23	\$ 0.15
Adjustments to arrive at Funds from Operations:				
Gain on sales of real estate investments	-	(2,778)	-	(2,778)
Depreciation and amortization related to real estate	5,095	3,663	19,069	12,482
Allocation to participating securities	(26)	(23)	(125)	(91)
<b>Funds from operations <sup>(1)</sup></b>	<b>\$ 6,952</b>	<b>\$ 3,671</b>	<b>\$ 26,097</b>	<b>\$ 12,689</b>
Funds from operations per common share (basic and diluted)	\$ 0.20	\$ 0.15	\$ 0.86	\$ 0.60
Adjustments to arrive at Adjusted Funds From Operations:				
Acquisition costs	1,968	1,437	3,740	3,298
Stock-based compensation	(247)	523	2,060	2,137
Straight-line rents	(673)	(583)	(2,744)	(3,005)
Amortization of lease intangibles	(317)	(189)	(1,099)	(864)
Total capital expenditures	(5,209)	(3,037)	(20,581)	(9,978)
Capital expenditures related to stabilization <sup>(2)</sup>	2,845	2,422	14,911	5,661
<b>Adjusted funds from operations</b>	<b>\$ 5,319</b>	<b>\$ 4,244</b>	<b>\$ 22,384</b>	<b>\$ 9,938</b>
<b>Common stock dividends paid</b>	<b>\$ 4,633</b>	<b>\$ 3,249</b>	<b>\$ 15,770</b>	<b>\$ 9,669</b>
<b>Weighted average basic and diluted common shares</b>	<b>35,381,477</b>	<b>24,833,304</b>	<b>30,433,017</b>	<b>21,011,276</b>

(1) Includes expensed acquisition costs of \$2.0 million and \$1.4 million for the three months ended December 31, 2014 and 2013, respectively, and \$3.7 million and \$3.3 million for the years ended December 31, 2014 and 2013, respectively

(2) Capital expenditures related to stabilization includes costs incurred related to leasing acquired vacancy and renovation projects



# Appendix: Same Store Results

SAME STORE GROWTH <sup>(1)</sup>	For the Three Months Ended December 31,				For the Year Ended December 31,			
	2014	2013	\$ Change	% Change	2014	2013	\$ Change	% Change
Net income	\$ 2,774	\$ 3,701	\$ (927)	(25.0)%	\$ 10,718	\$ 6,641	\$ 4,077	61.4%
Depreciation and amortization from continuing operations	5,123	3,685	1,438	39.0%	19,170	12,481	6,689	53.6%
Income from discontinued operations	-	(3,138)	3,138	n/a	-	(4,190)	4,190	n/a
General and administrative	1,842	2,253	(411)	(18.2)%	9,496	8,423	1,073	12.7%
Acquisition costs	1,968	1,437	531	37.0%	3,740	3,298	442	13.4%
Total other income and expenses	1,868	1,601	267	16.7%	6,590	6,105	485	7.9%
Net operating income	13,575	9,539	4,036	42.3%	49,714	32,758	16,956	51.8%
Less non same store NOI	(6,007)	(1,985)	(4,022)	202.6%	(19,163)	(4,117)	(15,046)	365.5%
Same store NOI	<u>\$ 7,568</u>	<u>\$ 7,554</u>	<u>\$ 14</u>	<u>0.2%</u>	<u>\$ 30,551</u>	<u>\$ 28,641</u>	<u>\$ 1,910</u>	<u>6.7%</u>
Less straight-line rents and amortization of lease intangibles	(560)	(645)	85	(13.2)%	(2,183)	(3,521)	1,338	(38.0)%
Cash-basis same store NOI	<u>\$ 7,008</u>	<u>\$ 6,909</u>	<u>\$ 99</u>	<u>1.4%</u>	<u>\$ 28,368</u>	<u>\$ 25,120</u>	<u>\$ 3,248</u>	<u>12.9%</u>

HISTORICAL SAME STORE RESULTS <sup>(1)(2)</sup>	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Same store square feet	2,357,051	2,357,051	2,235,500	2,235,500	3,301,622	3,093,110	3,091,245	3,091,365	4,873,919	4,877,290	4,877,290	4,792,329
Occupancy %	92.0%	92.7%	92.8%	93.0%	95.3%	93.9%	90.2%	96.8%	95.9%	97.9%	95.1%	97.1%
Cash-basis same store NOI growth %	11.9%	18.8%	43.1%	7.4%	19.2%	23.3%	7.5%	20.6%	11.0%	17.8%	21.1%	1.4%
Average cash-basis same store growth since Q1 2012	16.9%											

- (1) Same Store NOI is computed as rental revenues, including tenant expense reimbursements, less property operating expenses on a same store basis. The same store pool includes all properties that were owned as of December 31, 2014 and since January 2013 and excludes properties that were either disposed of or held for sale to a third party
- (2) Historical Same Store Results include cash-basis same store NOI growth %'s as reported in the Company's Form 10-Q and 10K's. Previously reported cash-basis same store NOI growth has not been adjusted for properties that were subsequently disposed or are held for sale to a third property

