

Korpacz Realty Advisors, Inc.

Litigation, Valuation & Counseling

KORPACZ REALTY ADVISORS, INC. ACCEPTABLE COST OF OCCUPANCY RATIO SURVEY CONCLUSIONS

| Occupancy Cost to Sales Ratio | | | | | |
|--------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| Mall Classification | As of 1/1/15 | As of 1/1/16 | As of 1/1/17 | As of 1/1/18 | As of 1/1/19 |
| Trophy | | No higher than 18.0% | No higher than 18.0% | No higher than 18.0% | No higher than 18.0% |
| A+ | 15.50% - 17.50% | 15.75% - 17.50% | 15.75% - 17.50% | 15.75% - 17.25% | 15.75% - 17.25% |
| A | 14.25% - 15.50% | 14.50% - 15.75% | 14.50% - 15.75% | 14.50% - 15.75% | 14.50% - 15.75% |
| B+ | 13.50% - 14.25% | 13.50% - 14.50% | 13.50% - 14.50% | 13.00% - 14.50% | 13.00% - 14.50% |
| B | 12.75% - 13.50% | 12.00% - 13.50% | 12.00% - 13.50% | 11.00% - 13.00% | 11.00% - 13.00% |
| C+ | 12.00% - 12.75% | 11.75% - 12.00% | 11.75% - 12.00% | 10.25% - 11.00% | 10.25% - 11.00% |
| C | 10.50% - 12.00% | 10.50% - 11.75% | 10.50% - 11.75% | 9.00% - 10.25% | 9.00% - 10.25% |
| D | Less than 10.50% | Less than 10.50% | Less than 10.50% | Less than 9.00% | Less than 9.00% |

All survey participants include minimum rent, percentage rent, CAM, and real estate taxes in their cost of occupancy calculations. Other costs such as utilities, insurance, and merchants association dues are rarely included.

Source: Korpacz Realty Advisors, Inc. survey personally conducted by Peter F. Korpacz, MAI, CRE, FRICS