



Figure 72: CLI 3Q16 results preview

CLI	3Q15		2Q16		3Q16			2016			
	Actual	Actual	Actual	DBe	Cons	Pre 3Q Guide	Post 3Q Guide	DBe	Cons		
Earnings											
FFQ/sh	\$0.51	\$0.64		\$0.56				\$2.21			
Pro-forma FFQ/sh*	\$0.48	\$0.55		\$0.56	\$0.55	\$2.07 - \$2.13		\$2.12	\$2.11		
Operating Metrics											
Total leasing volume (in-service consolidated, executed)	956	660									
Total occupancy (Q-end, SF leased)	85.8%	86.7%		87.2%		89.0% - 91.0%		88.0%			
q/q ch	350bp	-50bp		50bp							
Office rent spread (Cash)	2.8%	17.2%		3% total				3% total			
SS NOI growth y/y (cash)	6.5%	2.1%				5.0% - 6.0%					
SS NOI growth y/y (GAAP)	6.5%	8.3%				9.5% - 10.5%					

Note: consensus data is based on Thomson compiled data as of 10/14/16

- Update on disposition plans. Management noted ~\$150MM is expected to be sold through 2016
- We expect management to provide initial 2017 guidance during the 3Q call
- Thoughts on the NJ waterfront, and traction from the front office
- Update on the development pipeline where the focus remains on multi-family projects
- Recent leasing velocity in Parsippany, Metropark, and Jersey City
- CLI will provide initial guidance for the following fiscal year in 3Q. For FFO, we are at \$2.21 and consensus is at \$2.22

Source: Deutsche Bank, company data, Thomson

Figure 73: KRC 3Q16 results preview

KRC	3Q15		2Q16		3Q16			2016			
	Actual	Actual	Actual	DBe	Cons	Pre 3Q Guide	Post 3Q Guide	DBe	Cons		
Earnings											
FFQ/sh	\$0.77	\$0.86		\$0.87	\$0.87	\$3.36 - \$3.44		\$3.40	\$3.40		
Pro-forma FFQ/sh ex-items	\$0.77	\$0.87		\$0.87				\$3.40			
Operating Metrics											
Total leasing volume (commenced)	386	273									
Total leasing volume (executed)	384	266									
Stabilized Occupancy at Q-end	95.6%	95.5%		95.3%		high end of 94.5-95%		95.0%			
q/q ch	-110bp	60bp		-25bp							
y/y ch	150bp	-120bp		-35bp				20bp			
Rent spread (commenced, cash, 2nd generation)	26.9%	7.3%		15.0%		15.0%		15.0%			
Rent spread (executed, cash, 2nd generation)	39.2%	19.0%									
SS NOI growth y/y (cash)	-2.5%	12.4%				+9.0% to 11.0%					
SS NOI growth y/y (GAAP)	1.6%	3.2%									

Note: consensus estimates are based on Thomson compiled data as of 10/14/16

- Update on KRC's disposition plans. We note that a JV sale to Norges Bank closed in August, with another sale expected to close in 4Q
- Update on leasing up the Exchange, with the focus shifting to multi-tenant leases although an agreement with one tenant for the entire space remains possible
- Update on 100 Hooper, where management was negotiating LOIs per the 2Q call. Construction could commence by YE2016 if pre-leasing reaches 50%
- Update on demand in the West Coast from technology tenants
- Update on SF sublease space availability and demand for block space (>100ksf)
- Update on 515ksf of leases under LOI, split evenly between stabilized and developments properties
- Trends in SoCal where job growth has been slowing

Source: Deutsche Bank, company data, Thomson