



SUPPLEMENTAL INFORMATION
FIRST QUARTER 2018

DukeREALTY
RELIABLE. ANSWERS.



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When used in this supplemental information package and the conference call to be held in connection herewith, the word “believes,” “expects,” “estimates” and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially. In particular, among the factors that could cause actual results to differ materially are continued qualification as a real estate investment trust, general business and economic conditions, competition, increases in real estate construction costs, interest rates, accessibility of debt and equity capital markets and other risks inherent in the real estate business including tenant defaults, potential liability relating to environmental matters and liquidity of real estate investments. Readers are advised to refer to Duke Realty’s Form 10-K Report as filed with the Securities and Exchange Commission on February 16, 2018 for additional information concerning these risks.

Duke Realty Corporation

Duke Realty Corporation (“Duke Realty”), the largest pure-play, domestic only, industrial REIT in the United States, specializes in the ownership, management and development of high quality, modern bulk distribution real estate. Duke Realty is publicly traded on the NYSE under the symbol DRE and is listed on the S&P 500 Index. The Company maintains a Baa1 rating from Moody’s Investor Service and a BBB+ rating from Standard & Poor’s Financial Services.

Product Review

Bulk Distribution Properties: Duke Realty owns interests in 499 bulk distribution properties encompassing 148.6 million square feet in 20 major logistics markets. These properties are primarily warehouse facilities with clear ceiling heights of 28 feet or more.

Non-core Properties: Duke Realty owns interests in 8 non-core buildings totaling 850 thousand square feet that we intend to sell in the future. These properties are summarized on page 26.

Development Land: Duke Realty owns or has joint venture interests in over 1,300 acres of development land and controls an additional 700 development acres through purchase options. The land, primarily in the Company's existing business parks, is ready for immediate use and is primarily unencumbered by debt. The development acres owned and controlled through purchase options can support 33 million square feet of future development. All of these amounts include joint ventures at ownership share.

Common Stock Data (NYSE:DRE):

	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	4th Quarter 2017	1st Quarter 2018
High price	\$27.28	\$29.25	\$30.14	\$29.58	\$27.40
Low price	\$23.93	\$26.17	\$27.23	\$26.65	\$24.30
Closing price	\$26.27	\$27.95	\$28.82	\$27.21	\$26.48
Dividends paid per share	\$0.19	\$0.19	\$0.19	\$0.20	\$0.20
Closing dividend yield	2.9%	2.7%	2.6%	2.9% *	3.0%

*A \$0.85 per share special dividend was also paid during the quarter.

Earnings Conference Call

Duke Realty Corporation will hold its quarterly conference call to discuss first quarter results on Thursday, April 26, 2018, at 3:00 p.m. Eastern Time. The public may access the conference through a live audio webcast available on the investor relations section of Duke Realty's website at www.dukerealty.com. Institutional investors can also access the conference via Thomson Reuters' password-protected event management site, StreetEvents (www.streetevents.com). Shortly after the conclusion of the conference call, investors can access a replay of the webcast on the Company's website.

Definitions

Supplemental Performance Measures

Funds from Operations ("FFO"): FFO is computed in accordance with standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as net income (loss) excluding gains (losses) on sales of depreciable property and impairment charges related to depreciable real estate assets; plus real estate related depreciation and amortization, and after similar adjustments for unconsolidated joint ventures. We believe FFO to be most directly comparable to net income as defined by generally accepted accounting principles ("GAAP"). We believe that FFO should be examined in conjunction with net income (as defined by GAAP) as presented in the financial statements accompanying this release. FFO does not represent a measure of liquidity, nor is it indicative of funds available for our cash needs, including our ability to make cash distributions to shareholders.

Core Funds from Operations ("Core FFO"): Core FFO is computed as FFO adjusted for certain items that are generally non-cash in nature and that materially distort the comparative measurement of company performance over time. The adjustments include gains on sale of undeveloped land, impairment charges not related to depreciable real estate assets, tax expenses or benefits related to (i) changes in deferred tax asset valuation allowances, (ii) changes in tax exposure accruals that were established as the result of the previous adoption of new accounting principles, or (iii) taxable income (loss) related to other items excluded from FFO or Core FFO (collectively referred to as "other income tax items"), gains (losses) on debt transactions, gains (losses) on and related costs of business combinations, gains on the sale of merchant buildings, promote income and severance charges related to major overhead restructuring activities. Although our calculation of Core FFO differs from NAREIT's definition of FFO and may not be comparable to that of other REITs and real estate companies, we believe it provides a meaningful supplemental measure of our operating performance.

Adjusted Funds from Operations ("AFFO"): AFFO is defined by the Company as the Core FFO (as defined above), less recurring building improvements and total second generation capital expenditures (the leasing of vacant space that had previously been under lease by the Company is referred to as second generation lease activity) related to leases commencing during the reporting period, and adjusted for certain non-cash items including straight line rental income and expense, non-cash components of interest expense and stock compensation expense, and after similar adjustments for unconsolidated partnerships and joint ventures.

EBITDA for Real Estate ("EBITDAre"): EBITDAre is defined by NAREIT as earnings, before interest, taxes, depreciation and amortization ("EBITDA") adjusted to exclude gains (losses) on sales of depreciable property, gains (losses) on change of control, impairment charges related to depreciable real estate assets and to include share of EBITDAre of unconsolidated joint ventures.

Core EBITDA: Core EBITDA is defined by the Company as the EBITDAre, adjusted to exclude gains (losses) on land sales, impairment charges related to land, gains (losses) on and related costs of business combinations, capital transactions, promote income and severance charges related to major overhead restructuring activities. Core EBITDA is also adjusted from EBITDAre to include non-real estate asset related depreciation expense.

Property Level Net Operating Income - Cash Basis ("PNOI"): PNOI is comprised of rental revenues from continuing operations less rental expenses and real estate taxes from continuing operations, along with adjustments to exclude the straight line rental income and expense, amortization of above and below market rents, amortization of lease concessions and lease termination fees as well as an adjustment to add back intercompany rent. PNOI, as we calculate it, may not be directly comparable to similarly titled, but differently calculated, measures for other REITs. We believe that PNOI is another useful supplemental performance measure, as it is an input in many REIT valuation models and it provides a means by which to evaluate the performance of the properties within our Rental Operations segments.

Same Property Net Operating Income ("SPNOI"): We evaluate the performance of our properties, including our share of properties we jointly control, on a "same property" basis, using PNOI with certain minor adjustments. The same property pool of properties is defined once a year at the beginning of the current calendar year, and includes buildings that were in the stabilized portfolio throughout both the current and prior calendar years in both periods. The same property pool is adjusted for dispositions subsequent to its initial establishment. Same property NOI excludes term fees.

Definitions, continued

Other Terms

Average Net Effective Rent Growth: Represents the percentage change in net effective rent between the original leases and the current leases. Net effective rent represents average annual base rental payments, on a straight-line basis for the term of each lease excluding operating expense reimbursements. The calculation excludes leases with an initial term of less than 12 months and is weighted by the square footage of leases executed.

Cash Rent Growth: Represents the change in starting rental rates per the lease agreement on new and renewed leases signed during the period as compared with the previous ending rental rates in that same space. The calculation excludes leases with an initial term of less than 12 months and excludes any free rent periods. The calculation is weighted by the square footage of leases executed.

GAAP Yield (Developments): Stabilized GAAP yield measures the average annualized net operating income expected to be generated over the life of the lease term(s) divided by the average annual investment in the development project over the same period. In the instances where a project is not yet fully leased, the GAAP yield is equal to the five year average, using lease-up projections, and computed for years 2-6, allowing the development project a twelve month stabilization period.

In-Place Cash Yield (Acquisitions): In-place yields of acquisitions are calculated as annualized net operating income, from space leased to tenants at the date of purchase on a lease-up basis, including full rent from all executed leases, even if currently in a free rent period, divided by the acquisition cost. Annualized net operating income is comprised of base rental payments, excluding reimbursement of operating expenses, less current annualized operating expenses not recovered through tenant reimbursements.

In-Place Cap Rate (Dispositions): In-place cap rates of dispositions are calculated as annualized net operating income from space leased to tenants at the date of sale on a lease-up basis, including full rent from all executed leases, even if currently in a free rent period, divided by the sales proceeds. Annualized net operating income is comprised of base rental payments, excluding reimbursement of operating expenses, less current annualized operating expenses not recovered through tenant reimbursements.

Percentage Leased: Percentage leased represents the percentage of total square feet where leases have been executed, without regard to whether the leases have commenced.

Percentage Occupied: Percentage occupied represents the percentage of total square feet where the leases have commenced.

Stabilized Cash Yield (Acquisitions): Stabilized cash yield measures the net operating income expected to be generated upon stabilization divided by the total stabilized cost of the acquisition project(s) inclusive of costs to complete lease-up and anticipated capitalized improvements.

Stabilized Cash Yield (Developments): Stabilized cash yield measures the net operating income expected to be generated upon stabilization divided by the total cost of the development project. The development cost includes estimated carry costs during the lease-up period.

Stabilized Properties: Represents buildings that have reached 90% occupancy (on a percentage leased basis) or have been in-service for at least one year since development completion or acquisition date.

Unstabilized Properties: Represents buildings that have not yet reached 90% occupancy (on a percentage leased basis) and have been in-service for less than one year since development completion or acquisition date.

Balance Sheets

(unaudited and in thousands)

Assets:

	March 31, 2018	December 31, 2017
Real estate assets	\$6,608,594	\$6,593,567
Accumulated depreciation	(1,238,688)	(1,193,905)
Construction in progress	441,484	401,407
Undeveloped land held for development	235,778	199,292
Non-strategic undeveloped land	24,064	27,695
Net real estate investments	6,071,232	6,028,056
Real estate investments and other assets held-for-sale	21,740	17,550
Cash and cash equivalents	160,861	67,562
Restricted cash held in escrows for like-kind exchange	59,196	116,405
Accounts receivable, net	21,939	19,427
Straight-line rents receivable, net	97,266	93,005
Receivables on construction contracts, including retentions	16,692	13,480
Investments in and advances to unconsolidated joint ventures	121,576	126,487
Deferred leasing and other costs, net	297,103	292,682
Notes receivable from property sales	386,789	426,657
Other escrow deposits and other assets	173,280	186,885
Total assets	\$7,427,674	\$7,388,196

Liabilities and Equity:

Secured debt, net of deferred financing costs	\$310,070	\$311,349
Unsecured debt, net of deferred financing costs	2,111,386	2,111,542
Unsecured line of credit	75,000	—
	2,496,456	2,422,891
Liabilities related to real estate investments held-for-sale	1,327	1,163
Construction payables and amounts due subcontractors, including retentions	53,339	54,545
Accrued real estate taxes	71,234	67,374
Accrued interest	27,166	17,911
Other liabilities	152,358	210,825
Tenant security deposits and prepaid rents	44,610	39,109
Total liabilities	2,846,490	2,813,818
Common shares	3,570	3,564
Additional paid-in-capital	5,204,855	5,205,316
Distributions in excess of net income	(674,920)	(676,036)
Total shareholders' equity	4,533,505	4,532,844
Noncontrolling interest	47,679	41,534
Total liabilities and equity	\$7,427,674	\$7,388,196

Statements of Operations

(unaudited and in thousands)

	Three Months Ended	
	March 31, 2018	March 31, 2017
Revenues:		
Rental and related revenue	\$193,456	\$171,676
General contractor and service fee revenue	41,101	9,399
	<u>234,557</u>	<u>181,075</u>
Expenses:		
Rental expenses	20,396	16,237
Real estate taxes	31,146	26,511
General contractor and other services expenses	40,409	7,624
Depreciation and amortization	77,529	62,023
	<u>169,480</u>	<u>112,395</u>
Other Operating Activities:		
Equity in earnings of unconsolidated joint ventures	8,287	4,749
Gain on sale of properties	44,886	37,046
Gain on land sales	2,949	1,505
Other operating expenses	(786)	(738)
Impairment charges	—	(859)
General and administrative expenses	(21,023)	(19,232)
	<u>34,313</u>	<u>22,471</u>
Operating income	99,390	91,151
Other Income (Expenses):		
Interest and other income, net	4,463	533
Interest expense	(20,000)	(24,162)
Loss on debt extinguishment	—	25
Income tax expense	(10,329)	(2,132)
Income from continuing operations	73,524	65,415
Discontinued operations:		
(Loss) income before gain on sales	(8)	5,366
Gain on sale of depreciable properties	132	—
Income from discontinued operations	124	5,366
Net income	73,648	70,781
Net income attributable to noncontrolling interests	(685)	(581)
Net income attributable to common shareholders	<u>\$72,963</u>	<u>\$70,200</u>
Basic net income per common share:		
Continuing operations attributable to common shareholders	\$0.20	\$0.18
Discontinued operations attributable to common shareholders	—	0.02
Total	<u>\$0.20</u>	<u>\$0.20</u>
Diluted net income per common share:		
Continuing operations attributable to common shareholders	\$0.20	\$0.18
Discontinued operations attributable to common shareholders	—	0.02
Total	<u>\$0.20</u>	<u>\$0.20</u>
Weighted average number of common shares outstanding	356,740	355,282
Weighted average number of common shares and potential dilutive securities	360,400	360,700

Summary of EPS, FFO and AFFO

(unaudited and in thousands)

Three Months Ended March 31,

	2018			2017		
	Amount	Wtd. Avg. Shares	Per Share	Amount	Wtd. Avg. Shares	Per Share
Net income attributable to common shareholders	\$ 72,963			\$ 70,200		
Less dividends on participating securities	(437)			(542)		
Net Income Per Common Share-Basic	72,526	356,740	\$ 0.20	69,658	355,282	\$ 0.20
Add back:						
Noncontrolling interest in earnings of unitholders	683	3,355		652	3,316	
Other potentially dilutive securities	—	305		305	2,102	
Net Income Attributable to Common Shareholders-Diluted	\$ 73,209	360,400	\$ 0.20	\$ 70,615	360,700	\$ 0.20
Reconciliation to Funds From Operations ("FFO")						
Net Income Attributable to Common Shareholders	\$ 72,963	356,740		\$ 70,200	355,282	
Adjustments:						
Depreciation and amortization	77,529			81,557		
Company share of joint venture depreciation, amortization and other	2,161			2,495		
Impairment charges - depreciable property	—			859		
Gains on depreciable property sales - discontinued operations	(132)			—		
Gains on depreciable property sales - continuing operations	(44,886)			(37,046)		
Income tax expense triggered by depreciable property sales	10,329			—		
Gains on depreciable property sales - unconsolidated joint ventures	(6,217)			(1,798)		
Noncontrolling interest share of adjustments	(361)			(427)		
NAREIT FFO Attributable to Common Shareholders - Basic	111,386	356,740	\$ 0.31	115,840	355,282	\$ 0.33
Noncontrolling interest in income of unitholders	683	3,355		652	3,316	
Noncontrolling interest share of adjustments	361			427		
Other potentially dilutive securities	2,206			3,163		
NAREIT FFO Attributable to Common Shareholders - Diluted	\$ 112,430	362,301	\$ 0.31	\$ 116,919	361,761	\$ 0.32
Gains on land sales	(2,949)			(1,505)		
Gain on debt extinguishment	—			(25)		
Core FFO Attributable to Common Shareholders - Diluted	\$ 109,481	362,301	\$ 0.30	\$ 115,389	361,761	\$ 0.32
Adjusted FFO						
Core FFO - Diluted	\$ 109,481	362,301	\$ 0.30	\$ 115,389	361,761	\$ 0.32
Adjustments:						
Straight-line rental income and expense	(6,534)			(3,319)		
Amortization of above/below market rents and concessions	(545)			542		
Stock based compensation expense	12,462			10,480		
Noncash interest expense	1,399			1,555		
Second generation tenant improvements	(2,459)			(2,812)		
Second generation leasing costs	(5,416)			(2,409)		
Building improvements	(583)			(1,244)		
Adjusted FFO - Diluted	\$ 107,805	362,301		\$ 118,182	361,761	
Dividends Declared Per Common Share			<u>\$ 0.20</u>			<u>\$ 0.19</u>

Discontinued Operations Disclosure and Held-for-Sale Properties

(unaudited and in thousands)

Three Months Ended	
March 31, 2018	March 31, 2017

Properties Comprising Discontinued Operations (1):

Income Statement:

Revenues	\$5	\$46,239
Operating expenses	(13)	(14,996)
Depreciation and amortization	—	(19,534)
Operating (loss) income	(8)	11,709
Interest expense	—	(6,343)
Gain on sale of depreciable properties	132	—
Income from discontinued operations	<u>\$124</u>	<u>\$5,366</u>

- (1) The amounts classified in discontinued operations for the periods ended March 31, 2018 and 2017 are comprised of 81 medical office properties that were sold during 2017. Activity during the three months ended March 31, 2018 consisted of true-up activity related to the prior period sales for items such as post-closing capital obligations, expense recoveries and related estate tax true-ups or refunds. The number of consolidated buildings that we sold (or that are classified as held for sale), as well as their discontinued operations classification, is shown as follows:

	Three Months Ended March 31, 2018	Year Ended December 31, 2017
Sold, or classified as held-for-sale, and classified in discontinued operations	—	81
Sold, or classified as held-for-sale, and excluded from discontinued operations	8	17
	<u>8</u>	<u>98</u>

Held-for-Sale Properties to be Disposed of at March 31, 2018 (in thousands)

Real Estate Investments and Other Assets Held for Sale	Number of Properties	Square Feet	Percentage Leased
Industrial Properties (Wholly Owned)	2	375	61.0%
Industrial Property (in 50%-owned Joint Venture)	1	243	100.0%
Undeveloped Land (Wholly Owned)	10 acres		
Total Net Book Basis of Wholly Owned Held-for-Sale Properties		\$20,413	
Company Share of Net Book Basis of Joint Venture Owned Held-for-Sale Properties		\$5,171	
Total Estimated Net Proceeds of Held-for-Sale Properties (Joint Venture Properties Reflected at Our Share of Proceeds)		\$35,705	

Selected Financial Information

(unaudited and in thousands)

	Three Months Ended	
	March 31, 2018	March 31, 2017
Revenues from continuing operations	\$234,557	\$181,075
Revenues from discontinued operations	5	46,239
Total revenues	<u>\$234,562</u>	<u>\$227,314</u>
Lease termination fees - wholly owned (included above in revenues from continuing operations)	\$23	\$9,551
Income tax expense triggered by lease termination fee (only applicable to 2017)	—	(2,132)
Lease termination fees - wholly owned, net of tax	<u>\$23</u>	<u>7,419</u>
Calculation of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)		
Net income	\$73,648	\$70,781
Add depreciation and amortization - continuing operations	77,529	62,023
Add depreciation and amortization - discontinued operations	—	19,534
Add non-real estate asset related depreciation	487	506
Add interest expense - continuing operations	20,000	24,162
Add interest expense - discontinued operations	—	6,343
Add income tax expense - continuing operations	<u>10,329</u>	<u>2,132</u>
EBITDA	<u>\$181,993</u>	<u>\$185,481</u>
Pre-tax gains on depreciable property sales	(45,018)	(37,046)
Equity in earnings of unconsolidated joint ventures	(8,287)	(4,749)
Company's share of unconsolidated joint venture EBITDAre	5,011	6,123
Impairment charges - depreciable property	—	859
EBITDAre, as Defined by NAREIT	<u>\$133,699</u>	<u>\$150,668</u>
Non-real estate asset related depreciation	(487)	(506)
Gains on land sales	(2,949)	(1,505)
Gain on debt extinguishment	—	(25)
Noncontrolling interest share of consolidated joint venture EBITDA	<u>(25)</u>	<u>(95)</u>
Core EBITDA	<u>\$130,238</u>	<u>\$148,537</u>
Components of Fixed Charges		
Interest expense, including discontinued operations	\$20,000	\$30,505
Company's share of unconsolidated joint venture interest expense	786	656
Less noncontrolling interest share of consolidated joint venture interest expense	(3)	(6)
Capitalized interest	8,094	4,177
Company's share of unconsolidated joint venture capitalized interest	<u>131</u>	<u>61</u>
Total Fixed Charges	<u>\$29,008</u>	<u>\$35,393</u>
Common dividends paid	\$71,398	\$67,554
Non-controlling unit distributions paid	\$680	\$630
Common shares outstanding	357,025	355,587
Non-controlling Partnership units outstanding	<u>3,402</u>	<u>3,308</u>
Total common shares and units outstanding at end of period	<u>360,427</u>	<u>358,895</u>
Common Equity Market Capitalization (1)	\$9,544,107	\$9,428,172
Total Market Capitalization (2)	<u>\$12,061,092</u>	<u>\$12,530,498</u>
Non-controlling share in assets of consolidated real estate joint ventures (excluding operating partnership)	\$1,287	\$6,648
Non-controlling share in debt of consolidated real estate joint ventures (excluding operating partnership)	\$625	\$700

Note: Amounts shown represent continuing and discontinued operations except where noted.

(1) Number of common shares and partnership units outstanding multiplied by the Company's closing share price at the end of each reporting period.

(2) Common Equity Market Capitalization plus face/redemption value of outstanding debt.

Leverage Metrics

(dollars in thousands)

	March 31, 2018	December 31, 2017
Effective Leverage: (Debt + Company's Share of Unconsolidated Joint Ventures Debt - Noncontrolling Interest Share of Consolidated Debt) / (Total Assets + Accumulated Depreciation + Company's Share of Unconsolidated Joint Venture Gross Assets - Noncontrolling Interest Share of Consolidated Gross Assets - Investments in and Advances to Unconsolidated Joint Ventures)	30%	29%
Debt to Total Market Capitalization: (Debt / Total Market Capitalization as defined on page 8)	21%	20%
Net Debt (Debt - Cash + Share of Joint Ventures Debt - Noncontrolling Interest Share of Consolidated Debt) to Core EBITDA, Including Share of Unconsolidated Joint Ventures:		
Trailing twelve months	4.6	4.5
Current quarter annualized	4.7	4.7
Proforma current quarter annualized (*)	4.8	
Fixed Charge Coverage Ratio (Core EBITDA, Including Unconsolidated Joint Ventures/Total Fixed Charges, as calculated on page 8):		
Trailing twelve months	4.6	4.5
Most recent quarter	4.5	4.9

	Three months ended March 31, 2018
(*) Proforma Calculations - Core EBITDA and Net Debt	
Core EBITDA, including share of unconsolidated joint ventures	\$ 130,238
Proforma EBITDA adjustment for current quarter acquisitions and developments placed in service	702 (1)
Remove EBITDA related to properties sold during the quarter	(1,825) (2)
Proforma Core EBITDA, including share of unconsolidated joint ventures	\$ 129,115
	x4
Annualized proforma Core EBITDA, including share of unconsolidated joint ventures	\$ 516,460
Total debt, excluding deferred financing costs	\$ 2,516,985
Less cash	(160,861)
Less noncontrolling interest share of consolidated debt	(625)
Share of unconsolidated joint ventures debt	102,339
Proforma Net Debt	\$ 2,457,838
Proforma Net Debt to EBITDA	4.8

Notes to Proforma Calculations:

(1) Adjustment to current quarter acquisitions and developments placed in service in order to reflect a full quarter of actual operations for such properties.

(2) Adjustment to current quarter properties sold to remove the pre-sale operations of these properties from EBITDA for the quarter.

Property Occupancy

as of March 31, 2018

(Square feet in thousands)

	Stabilized In-Service			Unstabilized In-Service			Total In-Service			Under Development			Total Portfolio		
	Number of Buildings	Square Feet	Percent Leased	Number of Buildings	Square Feet	Percent Leased	Number of Buildings	Square Feet	Percent Leased	Number of Buildings	Square Feet	Percent Leased	Number of Buildings	Square Feet	Percent Leased
Indianapolis	41	17,588	96.0%	—	—	—	41	17,588	96.0%	2	1,108	100.0%	43	18,696	96.2%
Dallas	39	14,250	99.1%	1	189	0.0%	40	14,439	97.8%	2	1,431	100.0%	42	15,871	98.0%
Chicago	39	14,109	96.5%	2	450	53.6%	41	14,559	95.1%	—	—	—	41	14,559	95.1%
Atlanta	43	10,941	98.9%	1	337	0.0%	44	11,278	95.9%	1	590	0.0%	45	11,867	91.2%
Cincinnati	30	9,755	100.0%	—	—	—	30	9,755	100.0%	—	—	—	30	9,755	100.0%
Southern California	18	6,826	100.0%	2	822	39.9%	20	7,648	93.5%	3	1,496	100.0%	23	9,144	94.6%
Columbus	15	8,844	100.0%	—	—	—	15	8,844	100.0%	—	—	—	15	8,844	100.0%
Savannah	24	7,856	100.0%	—	—	—	24	7,856	100.0%	—	—	—	24	7,856	100.0%
South Florida	52	5,417	98.9%	4	843	53.0%	56	6,260	92.7%	1	146	0.0%	57	6,406	90.6%
Houston	21	5,873	98.7%	—	—	—	21	5,873	98.7%	1	368	43.7%	22	6,241	95.5%
Pennsylvania	6	4,316	100.0%	—	—	—	6	4,316	100.0%	2	1,848	0.0%	8	6,164	70.0%
New Jersey	12	4,658	100.0%	1	220	0.0%	13	4,878	95.5%	2	853	0.0%	15	5,731	81.3%
St. Louis	14	4,492	97.3%	—	—	—	14	4,492	97.3%	1	855	100.0%	15	5,347	97.7%
Minneapolis-St. Paul	23	4,690	98.6%	—	—	—	23	4,690	98.6%	1	277	100.0%	24	4,967	98.7%
Central Florida	23	3,274	95.4%	1	337	81.2%	24	3,612	94.1%	2	613	27.8%	26	4,225	84.5%
Nashville	20	3,645	99.4%	—	—	—	20	3,645	99.4%	—	—	—	20	3,645	99.4%
DC / Baltimore	18	2,932	97.2%	1	169	0.0%	19	3,101	91.9%	—	—	—	19	3,101	91.9%
Raleigh	23	2,757	100.0%	1	152	40.1%	24	2,909	96.9%	—	—	—	24	2,909	96.9%
Northern California	3	1,936	100.0%	—	—	—	3	1,936	100.0%	—	—	—	3	1,936	100.0%
Seattle	2	1,136	100.0%	—	—	—	2	1,136	100.0%	—	—	—	2	1,136	100.0%
Other	1	153	100.0%	—	—	—	1	153	100.0%	—	—	—	1	153	100.0%
Total Portfolio	467	135,449	98.5%	14	3,521	38.4%	481	138,969	97.0%	18	9,586	57.4%	499	148,555	94.4%
December 31, 2017	460	132,725	98.5%	17	4,860	21.5%	477	137,585	95.7%	15	8,537	62.7%	492	146,122	93.8%
September 30, 2017	452	128,856	98.0%	13	4,520	29.0%	465	133,376	95.7%	21	11,097	62.9%	486	144,473	93.2%
June 30, 2017	440	124,204	97.7%	9	2,732	15.8%	449	126,936	96.0%	26	10,878	64.8%	475	137,814	93.5%
March 31, 2017	437	122,422	98.7%	3	1,397	24.8%	440	123,819	97.9%	25	10,663	72.2%	465	134,482	95.9%

Note: Percentage leased represents the percentage of total square feet where leases have been executed, without regard to whether the leases have commenced.

Note: Joint Ventures are included at 100%.

Note: Excludes non-core buildings which are summarized on page 26.

Note: Prior four quarters shown exclude assets which were GAAP Held for Sale.

FFO and NOI Reconciliation

(unaudited and in thousands)

	Three Months Ended March 31, 2018
Core Funds from Operations - Diluted (Page 6)	\$ 109,481
Add back: Interest expense, continuing operations	20,000
Less: FFO attributable to unconsolidated joint ventures	(4,251)
Add: Company's share of unconsolidated joint venture EBITDAre (Page 8)	5,011
Adjustments related to noncontrolling interest share of consolidated joint ventures	(3)
Core EBITDA (Page 8)	\$ 130,238
General contractor and service fee revenue, net of related expenses	(692)
General and administrative expenses	21,023
Other operating expenses	786
Company's share of unconsolidated joint venture EBITDAre	(5,011)
Noncontrolling interest share of consolidated joint venture EBITDA	25
Interest and other income	(4,463)
Revenues not allocable to operating segments	(688)
Rental expenses and real estate taxes not allocable to operating segments	1,560
Revenues from discontinued operations (1)	(5)
Rental expenses and real estate taxes from discontinued operations (1)	13
Other adjustments (2)	(6,871)
PNOI, continuing operations, before joint ventures (Page 12)	135,915
Less noncontrolling interest share of consolidated joint venture PNOI	(21)
Plus share of unconsolidated joint venture PNOI	4,459
PNOI, including share of joint ventures (Page 12)	140,353
PNOI of sold assets not in discontinued operations (3)	(1,606)
Proforma PNOI adjustments (4)	1,248
Proforma PNOI (Page 12)	\$ 139,995

(1) Includes the 81 properties in the medical office portfolio that were disposed of during 2017.

(2) Represents adjustments for straight line rental income and expense, amortization of above and below market rents, amortization of lease concessions, intercompany rents and termination fees.

(3) Represents all other properties, sold or classified as held-for-sale, that did not meet the criteria to be included in discontinued operations.

(4) NOI is adjusted to reflect a full quarter of operations for properties that were placed in service during the quarter.

Net Operating Income

(dollars and SF in thousands)

	Bulk Distribution	Non-Core Real Estate	Total	
Total Wholly Owned and Joint Venture In-Service Portfolio				
Rental revenues from continuing operations	\$ 189,315	\$ 3,453	\$ 192,768	(1)
Rental and real estate tax expenses from continuing operations	(49,112)	(870)	(49,982)	(2)
Less straight line rental income and expense	(6,030)	(259)	(6,289)	
Other adjustments	(615)	33	(582)	(3)
PNOI, continuing operations, before joint ventures	133,558	2,357	135,915	
Plus share of unconsolidated joint venture PNOI	4,129	330	4,459	(4)
Less noncontrolling interest share of consolidated joint venture PNOI	—	(21)	(21)	
PNOI, adjusted for joint ventures	137,687	2,666	140,353	
Less PNOI from sold properties (not in discontinued operations)	(170)	(1,436)	(1,606)	
Proforma property level NOI adjustments	1,248	—	1,248	(5)
Proforma PNOI	\$ 138,765	\$ 1,230	\$ 139,995	
Number of properties	481	8	489	
Total square footage (JV's at economic ownership %)	133,784	533	134,317	
Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)	95.1%	60.9 %	94.9%	
Ending percentage leased at 3/31/18 (JV's included at economic ownership %)	97.2%	59.4 %	97.0%	
Embedded Future PNOI in Recently Stabilized Properties (Signed Leases not yet Commenced or Free Rent Expiration):				
Stabilized Properties In-Service Less than One Year	\$ 2,487	\$ —	\$ 2,487	
Stabilized Properties with Negative NOI In-Service Less than One Year	1,293	—	1,293	
Total Embedded Future PNOI in Stabilized properties from Signed Leases (A)	\$ 3,780	\$ —	\$ 3,780	
Future PNOI in Unstabilized In-Service Properties:				
Embedded Future PNOI from Signed Leases in Unstabilized Properties	\$ 2,021	\$ —	\$ 2,021	
Estimated PNOI from Future Lease Up of Unstabilized Properties	3,124	\$ —	3,124	
Total Future PNOI in Unstabilized in-service properties (B)	\$ 5,145	\$ —	\$ 5,145	
Total Additional Future PNOI (A+B)	\$ 8,925	\$ —	\$ 8,925	

Note: NOI information is for the most recently completed three month period and includes only wholly owned and joint venture in-service properties at the end of the reporting period. Joint venture property NOI is shown at economic ownership percentage. Figures exclude held for sale buildings which are detailed on page 7.

Note: See page 13 and 14 for further detail regarding the composition of our in-service portfolio.

- (1) Rental revenues from continuing operations as included in the segment reporting disclosures in the notes to our consolidated financial statements. Revenues not allocated to reportable segments, which are not included above, totaled \$688 for the three months ended March 31, 2018.
- (2) Rental and real estate taxes as used in the computation of PNOI from the segment reporting disclosures in the notes to our consolidated financial statements. Rental expenses and real estate taxes not allocated to reportable segments, which are not included above totaled \$1,560 for the three months ended March 31, 2018.
- (3) Represents adjustments for amortization of above and below market rents, amortization of lease concessions, intercompany rents and lease termination fees.
- (4) NOI for unconsolidated joint venture properties is presented at Duke's effective ownership percentage.
- (5) NOI is adjusted to reflect a full quarter of operations for properties that were placed in service or acquired during the quarter.

Net Operating Income

(dollars and SF in thousands)

Stabilized Properties Generating Positive NOI (1)

Wholly owned pro-forma property level NOI-cash basis, included in total from page 12

Joint venture pro-forma property level NOI-cash basis, included in total from page 12

Gross book value (4)

Number of properties

Average age

Total square footage (JV's at economic ownership %)

Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)

Ending percentage leased at 3/31/18 (JV's included at economic ownership %)

Stabilized Properties with Negative NOI (2)

Wholly owned pro-forma property level NOI-cash basis, included in total from page 12

Joint venture pro-forma property level NOI-cash basis, included in total from page 12

Gross book value (4)

Number of properties

Average age

Total square footage (JV's at economic ownership %)

Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)

Ending percentage leased at 3/31/18 (JV's included at economic ownership %)

Unstabilized Properties (3)

Wholly owned pro-forma property level NOI-cash basis, included in total from page 12

Joint venture pro-forma property level NOI-cash basis, included in total from page 12

Gross book value (4)

Number of properties

Average age

Total square footage (JV's at economic ownership %)

Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)

Ending percentage leased at 3/31/18 (JV's included at economic ownership %)

	Bulk Distribution	Non-Core Real Estate	Total
	\$	\$	\$
Wholly owned pro-forma property level NOI-cash basis, included in total from page 12	135,598	1,019	136,617
Joint venture pro-forma property level NOI-cash basis, included in total from page 12	4,187	329	4,516
Gross book value (4)	6,707,549	91,759	6,799,308
Number of properties	453	6	459
Average age	11.5	16.1	11.5
Total square footage (JV's at economic ownership %)	127,593	391	127,984
Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)	98.7%	79.3%	98.7%
Ending percentage leased at 3/31/18 (JV's included at economic ownership %)	99.4%	77.2%	99.4%
Wholly owned pro-forma property level NOI-cash basis, included in total from page 12	(706)	(118)	(824)
Joint venture pro-forma property level NOI-cash basis, included in total from page 12	(57)	—	(57)
Gross book value (4)	195,049	9,370	204,419
Number of properties	14	2	16
Average age	8.9	16.9	9.3
Total square footage (JV's at economic ownership %)	2,671	143	2,814
Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)	20.3%	9.8%	19.7%
Ending percentage leased at 3/31/18 (JV's included at economic ownership %)	66.4%	9.8%	63.5%
Wholly owned pro-forma property level NOI-cash basis, included in total from page 12	(257)	—	(257)
Joint venture pro-forma property level NOI-cash basis, included in total from page 12	—	—	—
Gross book value (4)	345,966	—	345,966
Number of properties	14	—	14
Average age	0.7	N/A	0.7
Total square footage (JV's at economic ownership %)	3,521	—	3,521
Avg. % occupied for the three months ended 3/31/18 (JV's included at economic ownership %)	17.7%	N/A	17.7%
Ending percentage leased at 3/31/18 (JV's included at economic ownership %)	38.4%	N/A	38.4%

Note: NOI information is for the most recently completed three month period and includes only wholly owned and joint venture in-service properties at the end of the reporting period. Joint venture property NOI is shown at economic ownership percentage.

Note: This schedule provides supplemental information for the same population of properties presented on page 11 and 12.

- (1) Represents buildings that have become 90% leased and/or been in service for at least one year and that have positive NOI for the current reporting period. Figures exclude \$2,487 of embedded future PNOI from signed leases in recently placed in-service properties as shown on page 12.
- (2) Represents buildings that have become 90% leased and/or been in service for at least one year and that have negative NOI for the current reporting period. Figures exclude \$1,293 of embedded future PNOI from signed leases in recently placed in-service properties as shown on page 12.
- (3) Represents buildings that have been in service for less than one year and have not become 90% leased. Figures exclude \$2,021 of embedded future PNOI from signed leases in recently placed in-service properties as shown on page 12.
- (4) Joint ventures are included at ownership percentage.

Net Operating Income and Square Feet by Market

(dollars and SF in thousands and shown at economic ownership %)

Market	NOI at Economic Ownership %	% of NOI	Square Feet at Economic Ownership %	3-Month Avg. Percentage Occupied
Chicago	\$ 14,623	10%	13,609	100.0%
Indianapolis	12,521	9%	15,209	99.6%
Atlanta	10,418	7%	10,622	98.8%
Dallas	10,286	7%	11,123	99.0%
South Florida	10,097	7%	5,417	95.5%
Southern California	8,627	6%	6,611	99.0%
Columbus	8,454	6%	8,844	99.5%
Cincinnati	8,191	6%	9,720	99.2%
Houston	7,637	6%	5,873	99.0%
New Jersey	7,036	5%	4,040	100.0%
Savannah	6,395	5%	7,471	96.6%
Minneapolis-St. Paul	5,384	4%	4,690	98.7%
Pennsylvania	5,324	4%	4,316	100.0%
DC / Baltimore	4,722	3%	2,890	99.1%
Nashville	4,695	3%	3,586	99.3%
Raleigh	3,976	3%	2,757	97.0%
St. Louis	3,824	3%	4,492	94.2%
Central Florida	3,267	2%	3,200	96.0%
Northern California	2,415	2%	1,936	100.0%
Seattle	1,855	1%	1,136	100.0%
Other	38	0%	51	100.0%
Bulk Distribution total	\$ 139,785	99%	127,593	98.7%
Non-Core Real Estate	1,348	1%	391	79.3%
Total	\$ 141,133	100%	127,984	98.7%

Note: NOI information is for the three months ended March 31, 2018 and includes only wholly owned and joint venture stabilized in-service properties generating positive NOI as of March 31, 2018. Joint venture property NOI is shown at economic ownership percentage.

Note: Schedule does not include an additional \$2,487 of quarterly unreported NOI from signed leases in recently placed in-service properties which are stabilized from a lease-up perspective ($\geq 90\%$ leased) and generating positive NOI, but are unstabilized from an economic perspective due to rent concessions or the leases have not yet commenced.

Note: This schedule provides supplemental information for the stabilized properties generating positive NOI shown on page 13.

Note: Percentage occupied represents the percentage of total square feet where the leases have commenced. JV's are included at economic ownership %.

Largest Customers

Customer	Rentable SF	% of Leased SF	Annualized GLV (1)	% of AGLV
Amazon.com	7,970,595	5.9%	\$39,000,881	6.6%
Wayfair, Inc	2,409,107	1.8%	12,070,556	2.1%
Home Depot	2,043,687	1.5%	8,725,636	1.5%
NFI Industries	1,973,267	1.5%	8,709,909	1.5%
Floor & Decor Outlets	1,771,911	1.3%	8,321,738	1.4%
Crate and Barrel	1,776,848	1.3%	8,236,164	1.4%
Target Corporation	1,027,169	0.8%	7,581,168	1.3%
HD Supply Inc	1,583,574	1.2%	6,069,147	1.0%
XPO Logistics	1,064,598	0.8%	5,627,513	1.0%
Lagardere Group	1,841,757	1.4%	5,554,125	0.9%
	23,462,513	17.4%	\$109,896,838	18.7%

Note: Joint venture annualized gross lease value is included at the Company's economic ownership percentage.

Note: Figures exclude non-core buildings which are summarized on page 26.

(1) Represents average annual gross effective rents due from tenants in service as of March 31, 2018. Average annual gross effective rent equals the average annual rental property revenue over the terms of the respective leases including landlord operating expense allowance and excluding additional rent due as operating expense reimbursements and percentage rents.

Same Property Operating Performance

Population Summary		Property Performance			
		Quarter Ended March 31			
		2018	2017	% Change	
Number of properties (1)	425	Total operating revenues	\$ 164,012,015	\$ 156,308,686	4.9%
Square feet	113,230,457	Total operating expenses	45,273,615	41,510,116	8.9%
Same Property SF as a % of total in service SF (at ownership share)	84.6%	Net Operating Income	<u>\$ 118,738,400</u>	<u>\$ 114,798,571</u>	<u>3.4%</u>
		Average percentage occupied	97.9%	97.6%	0.3%
QTD Same Property NOI as a % of total NOI	84.8%				

Note: All information for joint venture properties is presented at Duke's effective ownership percentage.

Note: Figures exclude non-core buildings which are summarized on page 26.

(1) The same property pool of properties is defined once a year at the beginning of the current calendar year, and includes buildings that were in the stabilized portfolio throughout both the current and prior calendar years in both periods. The same property pool is adjusted for dispositions subsequent to its initial establishment. Same property NOI excludes term fees.

The same property population for the periods shown is derived from the 481 in-service properties that we own or jointly control, as of March 31, 2018, less (i) 28 in-service buildings that were acquired since January 1, 2017, (ii) 24 in-service buildings we developed and placed in-service since January 1, 2017, (iii) 4 additional in-service buildings that were unstabilized as of January 1, 2017.

Lease Expirations

In-Service Properties as of March 31, 2018

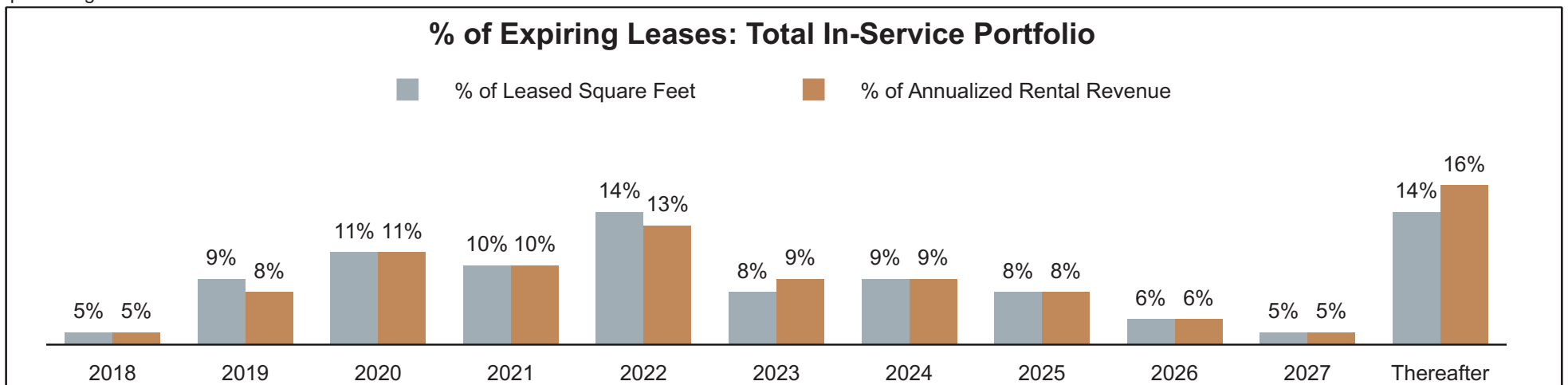
(dollars and square feet in thousands)

Year of Expiration	Wholly Owned		Joint Venture		Total In-Service Portfolio	
	Square Feet	Avg. Annual Rental Revenue (1)	Square Feet	Avg. Annual Rental Revenue (1)	Square Feet	Avg. Annual Rental Revenue (1)
2018	6,554	\$25,522	247	\$871	6,801	\$26,393
2019	11,492	46,886	533	2,081	12,025	48,967
2020	13,644	61,526	514	2,003	14,158	63,529
2021	12,669	56,383	629	2,212	13,298	58,595
2022	18,378	74,424	281	976	18,659	75,400
2023	10,120	49,331	238	1,034	10,358	50,365
2024	11,535	52,866	131	606	11,666	53,472
2025	10,181	45,689	104	349	10,285	46,038
2026	7,546	33,568	72	378	7,618	33,946
2027	6,538	28,404	171	867	6,709	29,271
2028 and Thereafter	16,636	86,622	1,783	6,556	18,419	93,178
	<u>125,293</u>	<u>\$561,221</u>	<u>4,703</u>	<u>\$17,933</u>	<u>129,996</u>	<u>\$579,154</u>
Total Square Feet	<u>128,661</u>		<u>5,123</u>		<u>133,784</u>	
Percent Leased	<u>97.4%</u>		<u>91.8%</u>		<u>97.2%</u>	
Average Remaining Lease Term (by SF)	<u>5.6</u>		<u>6.7</u>		<u>5.6</u>	
Average Remaining Lease Term (by ANLV)	<u>5.8</u>		<u>6.7</u>		<u>5.8</u>	

Note: Figures exclude non-core buildings which are summarized on page 26.

Note: Joint Venture square feet and dollars shown at the Company's economic ownership percentage.

(1) Annualized rental revenue represents average annual base rental payments, on a straight-line basis for the term of each lease, from space leased to tenants at the end of the most recent reporting period. Annualized rental revenue excludes additional amounts paid by tenants as reimbursement for operating expenses and real estate taxes, as well as percentage rents.



Leasing Activity

as of March 31, 2018

	First Generation Square Feet	Second Generation							Total Leasing Square Feet	
		Square Feet	Average Term in Years	Average Net Effective Rent	Average Capital Expenditures per SF	Average Capital Expenditures per SF per Year	Percent Renewed (1)	Average NER Growth		Cash Rent Growth
Year Ended 2017										
New leases	8,415,920	5,288,853	5.9	\$ 4.40	\$ 3.79	\$ 0.65	80.5%			13,704,773
Renewal leases	—	9,969,667	5.6	4.36	1.93	0.34				9,969,667
Total	8,415,920	15,258,520	5.7	\$ 4.37	\$ 2.57	\$ 0.45		19.2%	6.5%	23,674,440
1st Quarter 2018										
New leases	2,650,749	2,760,768	7.3	\$ 4.18	\$ 3.74	\$ 0.51	68.0%	(2)		5,411,517
Renewal leases	—	1,538,142	4.6	5.62	2.55	0.55				1,538,142
Total	2,650,749	4,298,910	6.4	\$ 4.70	\$ 3.30	\$ 0.52		25.6%	12.0%	6,949,659
Year to Date 2018										
New leases	2,650,749	2,760,768	7.3	\$ 4.18	\$ 3.74	\$ 0.51	68.0%	(2)		5,411,517
Renewal leases	—	1,538,142	4.6	5.62	2.55	0.55				1,538,142
Total	2,650,749	4,298,910	6.4	\$ 4.70	\$ 3.30	\$ 0.52		25.6%	12.0%	6,949,659

Note: Activity is based on leases signed during the period and excludes temporary leases of space.

Note: Joint ventures are shown at 100%

(1) The percentage renewed is calculated by dividing the square feet of leases renewed by the square feet of leases up for renewal. The square feet of leases up for renewal is defined as the square feet of leases renewed plus the square feet of space vacated due to lease expirations.

(2) Including expiring spaces that were immediately backfilled, 94.3% of all expiring space was re-leased through renewals or backfill leases during the first quarter of 2018.

Debt Maturities

March 31, 2018

(in thousands)

Year	Mortgages (1)		Unsecured (1)		Credit Facility (3)	Total	Weighted Average Effective Interest Rates
	Amortization	Maturities	Amortization	Maturities			
2018	\$ 3,738	\$ —	\$ 2,030	\$ —	\$ —	\$ 5,768	6.17%
2019	4,077	268,438 (2)	2,858	—	—	275,373	7.61%
2020	3,883	—	1,498	—	—	5,381	5.82%
2021	3,416	9,047	—	250,000	—	262,463	3.99%
2022	3,611	—	—	600,000	—	603,611	4.20%
2023	3,817	—	—	250,000	75,000	328,817	3.52%
2024	4,036	—	—	300,000	—	304,036	3.92%
2025	3,938	—	—	—	—	3,938	5.60%
2026	2,029	—	—	375,000	—	377,029	3.37%
2027	358	—	—	300,000	—	300,358	3.40%
2028	—	—	—	50,000	—	50,000	7.29%
Thereafter	—	—	—	—	—	—	0.00%
	<u>\$ 32,903</u>	<u>\$ 277,485</u>	<u>\$ 6,386</u>	<u>\$ 2,125,000</u>	<u>\$ 75,000</u>	<u>\$ 2,516,774</u>	4.28%

(1) Scheduled amortizations and maturities represent only Duke's consolidated debt obligations.

(2) We intend to prepay \$227 million of this amount on 9/11/18 at par.

(3) Comprised of the following:

Commitment	Balance O/S @ 3/31	Maturity *	Rate @ 3/31	Type
\$1,200,000	\$75,000	January 2023	L + .875% (2.75%)	DRLP line of credit

*Date shown is final maturity date including extension options.

Fixed and Variable Rate Components of Debt	Balance	Weighted Average Interest Rate	Weighted Average Maturity (yrs)
Fixed Rate Secured Debt	\$307,888	7.44%	1.3
Fixed Rate Unsecured Debt	2,131,386	3.88%	6.2
Variable Rate Debt and LOC	77,500	2.72%	4.8
	<u>\$2,516,774</u>	4.28%	5.5
Deferred Financing Costs	(20,529)		
Fair Value Adjustments	211		
Total Debt per Balance Sheet	<u>\$2,496,456</u>		

Unsecured Public Debt Covenants

Debt Covenants	Threshold	First Quarter 2018	Fourth Quarter 2017	Third Quarter 2017	Second Quarter 2017
Total Debt to Undepreciated Assets	<60%	30%	30%	26%	28%
Debt Service Coverage	>1.5x	5.7	5.3	5.0	4.6
Secured Debt to Undepreciated Assets	<40%	4%	4%	4%	4%
Undepreciated Unencumbered Assets to Unsecured Debt	>150%	330%	337%	388%	366%

Note: The ratios are based upon the results of Duke Realty Limited Partnership, the partnership through which Duke Realty conducts its operations, using calculations that are defined in the trust indenture.

Unencumbered Consolidated Assets	Three Months Ended	
	March 31, 2018	March 31, 2017
Number of properties	390 (1)	429
Total square feet (in thousands)	109,432 (1)	99,356
Gross book value (in thousands)	\$6,373,980 (1)	\$6,460,735
Annual stabilized NOI (in thousands)	\$506,481 (1)	\$526,855

(1) Excludes 16 wholly owned properties under development at March 31, 2018 which will be unencumbered upon completion. These properties totaled approximately 8.5 million square feet with total anticipated stabilized project costs of approximately \$780.8 million and anticipated stabilized NOI of approximately \$45.3 million.

Senior Unsecured Debt Ratings:

Standard & Poor's	BBB+, Stable Outlook
Moody's	Baa1, Stable Outlook

Joint Ventures

March 31, 2018

	Industrial (1)	Non-Core Real Estate (2)	Total
Total in-service properties	37	3	40
Total properties under development	2	—	2
Percentage leased	92.6%	59.4%	91.4%
Square feet (in thousands):			
Total in-service properties	10,308	451	10,759
Total properties under development	1,108	—	1,108
Total square feet	<u>11,416</u>	<u>451</u>	<u>11,867</u>
Company effective ownership percentage	33%-50%	30%	
Balance sheet information (in thousands) (A)			
Real estate assets	\$ 277,836	\$ 81,174	\$ 359,010
Construction in progress	41,974	—	41,974
Undeveloped land	30,320	—	30,320
Other assets	84,878	7,746	92,624
Total assets	<u>\$ 435,008</u>	<u>\$ 88,920</u>	<u>\$ 523,928</u>
Debt	\$ 177,146	\$ 45,887	\$ 223,033
Other liabilities	23,300	5,862	29,162
Equity	234,562	37,171	271,733
Total liabilities and equity	<u>\$ 435,008</u>	<u>\$ 88,920</u>	<u>\$ 523,928</u>
Selected QTD financial information (Dollars in Thousands) (B)			
QTD share of rental revenue	\$6,339	\$692	\$7,031
QTD share of in-service property unlevered NOI	\$4,129	\$330	\$4,459
QTD share of interest expense	\$589	\$197	\$786
QTD share of EBITDA	\$4,631	\$380	\$5,011
Company share of JV gross assets	\$268,992	\$35,547	\$304,539
Company share of debt	\$88,573	\$13,766	\$102,339

(A) Balance sheet information is reported at 100% of joint venture. (B) Reported at Duke's share of joint venture.

(1) Includes seven separate joint ventures. The outstanding debt consists of three separate loans: i) \$102,896 at a variable rate of LIBOR plus .98% maturing November 2021 ii) \$61,500 at a fixed rate of 3.3% maturing July 2025 and iii) \$12,750 at a fixed rate of 3.6% maturing November 2026. One property was classified as held-for-sale at March 31, 2018. Our share of revenues, EBITDA and NOI are included in the totals.

(2) Includes one joint venture. The outstanding debt consists of two separate loans: i) \$13,525 at a fixed rate of 5.6% maturing December 2019 and ii) \$32,317 at a fixed rate of 5.9% maturing January 2020.

Joint Venture Debt Maturities

March 31, 2018

(in thousands)

Year	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2018	\$ 102	\$ —	\$ 102	5.57%
2019	294	3,824	4,118	5.58%
2020	—	9,533	9,533	5.89%
2021	10	51,448	51,458	2.67%
2022	122	—	122	3.55%
2023	126	—	126	3.55%
2024	131	—	131	3.55%
2025	135	30,750	30,885	3.25%
2026	116	5,735	5,851	3.55%
2027	—	—	—	—
2028	—	—	—	—
Thereafter	—	—	—	—
	<u>\$ 1,036</u>	<u>\$ 101,290</u>	<u>\$ 102,326</u>	3.32%

	Balance	Weighted Average Interest Rate	Weighted Average Maturity (yrs)
Fixed Rate Secured Debt	\$50,878	3.98%	5.3
Fixed Rate Unsecured Debt	—	N/A	N/A
Variable Rate Debt and LOC's	<u>51,448</u>	2.67%	3.6
Total	<u>\$102,326</u>	3.32%	4.4

Note: Scheduled amortization and maturities reported at Duke's share.

Development Projects Under Construction

March 31, 2018

(in thousands)

Property Information (1)					
Development	Market	Own %	Square feet	% Leased	Stabilized Costs
Prime Pointe 1015	Dallas	100%	557	100 %	
16301 Trojan Way	Southern California	100%	477	100 %	
7133 Municipal Drive	Central Florida	100%	170	100 %	
33 Logistics Park 1620	Pennsylvania	100%	1,016	0 %	
(J) AllPoints Midwest Bldg. 8	Indianapolis	50%	708	100 %	
Gateway Northwest 20510	Houston	100%	368	44 %	
Projected In-Service Second Quarter 2018			3,296	63 %	\$ 221,174
(J) AllPoints Anson Bldg. 7B	Indianapolis	50%	400	100 %	
Central Logistics Park 53	Pennsylvania	100%	832	0 %	
17791 Perris Boulevard Expansion	Southern California	100%	736	100 %	
16171 Santa Ana Ave	Southern California	100%	282	100 %	
Turnpike Crossing 6729	South Florida	100%	146	0 %	
Tampa Regional Ind Park 13040	Central Florida	100%	443	0 %	
Lancaster 2820	Dallas	100%	875	100 %	
Projected In-Service Third Quarter 2018			3,714	62 %	\$ 258,043
1380 Jesse Cronin Rd	Atlanta	100%	590	0 %	
Projected In-Service Fourth Quarter 2018			590	0 %	\$ 31,159
5 Ethel Blvd.	New Jersey	100%	194	0 %	
429 Delancy Street	New Jersey	100%	659	0 %	
Arbor Lakes 10500	Minneapolis-St. Paul	100%	277	100 %	
Premier 370 Bus Park 4000	St. Louis	100%	855	100 %	
Projected In-Service First Quarter 2019 or beyond			1,985	57 %	\$ 297,497
Company Total			9,585	57 %	\$ 807,873

Financial Information Summary (2)

Stabilized Costs (Own %)	Projected Costs Remaining (Own %)	Initial Stabilized Cash Yield	Stabilized GAAP Yield
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\$ 807,873	\$ 365,032	5.9%	6.2%
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Estimated Value Creation		
Low value	Mid value	High value

Stabilized NOI	\$47,343	\$47,343	\$47,343
Blended cap rate (3)	5.09%	4.84%	4.59%
Implied value (Own %)	\$930,118	\$978,161	\$1,031,438
Value creation (Own %)	\$122,245	\$170,288	\$223,565
Margin	15%	21%	28%

(J) Designates a joint venture property. Square feet shown at 100%; Stabilized costs included at ownership share.

(1) Square feet and percentage leased included at 100% for all properties while stabilized costs are included at ownership share.

(2) All Financial figures included at ownership share.

(3) Midpoint cap rate represents weighted average estimated cap rates. High and low represent sensitivity analysis of +/- 25 basis points.

Development Projects Placed In-Service

(in thousands)

Wholly Owned						Joint Venture						Total						
Square Feet	% Leased at Start	% Leased Current	Initial Stabilized			Square Feet	% Leased at Start	% Leased Current	Initial Stabilized			Square Feet	% Leased at Start	% Leased Current	% Occupied Current	Initial Stabilized		
			Project Costs	Cash Yield	GAAP Yield				Project Costs	Cash Yield	GAAP Yield					Project Costs	Cash Yield	GAAP Yield
965	100%	100%	\$ 56,346	6.4%	6.9%	708	0%	0%	\$ 14,492	7.7%	7.9%	1,674	58%	58%	58%	\$ 70,838	6.7%	7.1%
1,883	65%	83%	138,949	6.2%	6.5%	284	100%	100%	7,144	6.6%	6.7%	2,167	70%	85%	82%	146,093	6.2%	6.5%
3,116	44%	85%	223,388	6.8%	7.3%	—	—	—	—	—	—	3,116	44%	85%	85%	223,388	6.8%	7.3%
2,815	57%	88%	174,651	6.9%	7.2%	—	—	—	—	—	—	2,815	57%	88%	78%	174,651	6.9%	7.2%
8,779	59%	87%	\$ 593,334	6.7%	7.1%	992	29%	29%	\$ 21,636	7.3%	7.5%	9,771	56%	81%	78%	\$ 614,970	6.7%	7.1%
1,205	84%	84%	\$ 86,031	6.4%	7.0%	—	—	—	—	—	—	1,205	84%	84%	84%	\$ 86,031	6.4%	7.0%
1,205	84%	84%	\$ 86,031	6.4%	7.0%	—	—	—	—	—	—	1,205	84%	84%	84%	\$ 86,031	6.4%	7.0%

Note: Square feet for Joint Venture projects is shown at 100%; Project costs & returns included at ownership share.

Note: Excludes development projects that have subsequently been sold.

Dispositions and Acquisitions

(in thousands)

Dispositions			
Square Feet	Sales Proceeds	In-Place Cap Rate	In-Place % Leased
	(1)	(2)	(3)

Acquisitions						
Square Feet	In-Place % Leased	Acquisition Cost	In-Place Cash Yield	Stabilized Investment	Stabilized Yield	Current % Leased
	(3)	(4)	(5)	(6)	(6)	(3)

2017

1st Quarter	1,122	\$ 90,244	8.9%	95.0%	1,060	82.7%	\$ 115,423	3.7%	\$ 116,635	4.8%	100.0%
2nd Quarter	5,529	2,456,841	4.6%	94.7%	1,179	42.6%	124,280	0.4%	133,275	5.0%	68.9%
3rd Quarter	909	300,582	4.8%	87.3%	3,131	74.7%	390,908	2.9%	401,557	4.6%	91.7%
4th Quarter	1,527	247,650	5.2%	90.4%	2,606	67.8%	366,549	2.5%	377,421	4.6%	91.6%
2017 Total	9,087	\$ 3,095,317	4.8%	93.3%	7,977	68.8%	\$ 997,160	2.5%	\$ 1,028,888	4.6%	89.4%

2018

1st Quarter	1,325	\$ 169,696	4.7%	71.6%	119	100.0%	\$ 22,862	4.4%	\$ 22,862	4.4%	100.0%
2018 Total YTD	1,325	\$ 169,696	4.7%	71.6%	119	100.0%	\$ 22,862	4.4%	\$ 22,862	4.4%	100.0%

Note: Joint venture properties are included at ownership share for all figures for both Dispositions and Acquisitions.

(1) Joint venture sales included at our ownership share and include any applicable preferred returns.

(2) In-place cap rates of dispositions are calculated as annualized net operating income from space leased to tenants at the date of sale on a lease-up basis, including full rent from all executed leases, even if currently in a free rent period, divided by the sales proceeds. Annualized net operating income is comprised of base rental payments, excluding reimbursement of operating expenses, less current annualized operating expenses not recovered through tenant reimbursements.

(3) Percentage leased represents the percentage of square feet where leases have been executed, without regard to whether the leases have commenced. In-Place figures for dispositions are as of the date of sale and as of the date of acquisition for acquisitions. Current figures represent the percent leased as of the current period ended.

(4) Includes real estate assets and net acquired lease-related intangible assets but excludes other acquired working capital assets and liabilities.

(5) In-place yields are calculated as annualized net operating income, from space leased to tenants at the date of purchase on a lease-up basis, including full rent from all executed leases, even if currently in a free rent period, divided by the acquisition cost. Annualized net operating income is comprised of base rental payments, excluding reimbursement of operating expenses, less current annualized operating expenses not recovered through tenant reimbursements.

(6) Represents projected stabilized investment and expected return on real estate assets acquired after stabilization costs such as costs to complete lease-up and anticipated capitalized improvements.

Non-Core Buildings

March 31, 2018

Property Information

	# of buildings	At 100%		At Economic Ownership %		Quarterly NOI \$ (000s) (1)
		Square Feet (000s)	% Leased	Square Feet (000s)	% Leased	
Wholly owned:						
Various markets	5	399	59%	399	59%	\$901
Joint venture:						
Washington DC	3	451	59%	135	59%	329
Total Non-core buildings	8	850	59%	534	59%	\$1,230

(1) Per NOI report (page 12).

Lease Expirations

Year of Expiration	Sq. Feet (000s) (2)	Annual Revenue (000s) (3)	% of Annual Revenue
2018	7	\$88	1%
2019	12	149	2%
2020	35	660	11%
2021	60	511	8%
2022	21	236	4%
2023	55	923	15%
2024	5	62	1%
2025	—	—	—
2026	—	—	—
2027	2	38	1%
2028 or Thereafter	119	3,486	57%
	316	\$6,153	100%

(2) Joint venture properties are included at the Company's economic ownership percentage.

(3) Annualized rental revenue represents average annual base rental payments, on a straight-line basis for the term of each lease, from space leased to tenants at the end of the most recent reporting period. Annualized rental revenue excludes additional amounts paid by tenants as reimbursement for operating expenses and real estate taxes, as well as percentage rents. Joint venture properties are included at the Company's economic ownership percentage.

Components of Net Asset Value

March 31, 2018

(unaudited and in thousands)

Real Estate	Services Operations Net Income
Stabilized Operating Portfolio Generating Positive NOI - Current Quarter (Page 13) Wholly Owned Industrial Proforma NOI \$ 135,598 Share of Industrial JV Proforma NOI 4,187 Adjustment to exclude PNOI (included above) from Held-for-Sale Properties (307) Total Industrial <u>\$ 139,478</u> Wholly Owned Non-Core Real Estate Proforma NOI \$ 1,019 Share of Non-Core Real Estate JV Proforma NOI 329 Total Non-Core Real Estate <u>\$ 1,348</u> Embedded Future PNOI from Signed Leases in Recently Stabilized Properties (Page 12) Industrial \$ 3,780 PNOI from Unstabilized In-Service Properties In-place PNOI - Industrial Properties (Page 13) \$ (257) Embedded Future PNOI from Signed Leases - Industrial Properties (Page 12) \$ 2,021 Estimated PNOI from Future Lease Up - Industrial Properties (Page 12) \$ 3,124	Mid-Point of 2018 Full Year Guidance <u>\$ 2,500</u> Other Assets Cash (2) \$ 160,861 Restricted Cash Held for Like-Kind Exchange (2) 59,196 Notes Receivable from Property Sales (3) 386,789 Accounts Receivable and Construction Receivables (2) 38,631 Other Tangible Assets (4) 75,941 Subtotal Other Assets <u>\$ 721,418</u> Liabilities Total Debt, excluding deferred financing costs (page 9) \$2,516,985 Share of JV Debt (page 22) 102,339 Other Tangible Liabilities (4) 281,136 Total Liabilities <u>\$2,900,460</u> Outstanding Shares and Share Equivalents Common Shares Outstanding (page 8) 357,025 Partnership Units Outstanding (page 8) 3,402 Other Potentially Dilutive Securities (page 6) 2,206 <u>362,633</u> Notes (1) Comprised of two wholly owned properties and one joint venture property. (2) As shown on the Balance Sheets (page 4). (3) Includes \$365 million of seller notes receivable received as part of the proceeds from the medical office disposition, which bear interest at 4% and mature in various tranches with the final maturity in January 2020. (4) Other tangible assets are comprised of amounts from the Balance Sheets (as presented on page 4) for escrow deposits and other assets (but excluding intangible assets of \$89,314 and deferred financing costs of \$8,025). Other tangible liabilities are comprised of the sum of construction payables, accrued real estate taxes, accrued interest, other accrued expenses, other liabilities (excluding non-cash liabilities of \$67,571).
Real Estate Not Valued by Income Capitalization Gross Book Value of Stabilized Portfolio Generating Negative NOI (page 13) \$ 204,419 Estimated Proceeds from Assets Held for Sale (1) \$ 35,705 Development and Land Wholly Owned CIP (2) \$ 441,484 Share of JV CIP 20,987 Estimated Development Value Creation at Own % (page 24) 170,288 Wholly Owned Development Land (2) 235,778 Wholly Owned Sale Land (2) 24,064 Share of JV Land 15,160 <u>\$ 907,761</u>	

2018 Range of Estimates

(dollars in millions except per share amounts)

Metrics	2017 Actual	2018 YTD	Range of Estimates		Key Assumptions
			Pessimistic	Optimistic	
Net Income per Share Attributable to Common Shareholders - Diluted	\$4.56	\$0.20	\$0.71	\$1.09	<ul style="list-style-type: none"> - Previous guidance of \$0.68 to \$0.98. - Lower gains on property sales compared to 2017.
NAREIT FFO per Share Attributable to Common Shareholders - Diluted	\$1.27	\$0.31	\$1.26	\$1.34	<ul style="list-style-type: none"> - Previous guidance of \$1.24 to \$1.32. - Includes net gains on land sales.
Core FFO per Share Attributable to Common Shareholders - Diluted	\$1.24	\$0.30	\$1.26	\$1.32	<ul style="list-style-type: none"> - Previous guidance of \$1.24 to \$1.30. - Lease up of new development and acquisitions. - 2017 special dividend dilution.
Growth in AFFO - Share Adjusted	3.8%	(9.0)%	4.5%	10.0%	<ul style="list-style-type: none"> - Previous guidance of 2.7% to 8.2%. - Driven by same factors impacting Core FFO. - YTD performance due to inclusion of medical office portfolio in Q1 2017
Average Percentage Leased (stabilized portfolio)	98.1%	98.4%	97.5%	98.5%	<ul style="list-style-type: none"> - Previous guidance of 97.1% to 98.1%. - Strong leasing economics. - Significant lease up of speculative development. - Near peak occupancy and limited up-side on operating portfolio.
Average Percentage Leased (In-service portfolio)	96.3%	96.6%	96.0%	97.0%	<ul style="list-style-type: none"> - Previous guidance of 95.5% to 96.5%. - Significant lease up of speculative development and acquisitions.
Same Property NOI Growth	4.0%	3.40%	3.25%	4.75%	<ul style="list-style-type: none"> - Continued solid rent growth expected, embedded lease escalators.
Building Acquisitions (Duke share)	\$997	\$23	\$100	\$500	<ul style="list-style-type: none"> - Focused on Tier 1 markets.
Building Dispositions (Duke share)	\$3,095	\$170	\$350	\$550	<ul style="list-style-type: none"> - Previous guidance of \$300 to \$500. - Data centers and Midwest non-strategic industrial.
Land Sale Proceeds	\$58	\$4	\$10	\$20	<ul style="list-style-type: none"> - Non-strategic inventory is shrinking.
Development Starts (JVs at 100%)	\$866	\$226	\$650	\$850	<ul style="list-style-type: none"> - Previous guidance of \$500 to \$700 - Good pipeline of BTS prospects. - Speculative starts in targeted growth markets.
Service Operations Income	\$5	\$1	\$1	\$4	<ul style="list-style-type: none"> - Focus on development over third party work.
General & Administrative Expense	\$55	\$21	\$57	\$53	<ul style="list-style-type: none"> - Stable overhead levels.
Effective Leverage (Gross Book Basis)	29%	30%	33%	29%	<ul style="list-style-type: none"> - Previous guidance of 34% to 30%. - Reflects short-term impact of medical office properties disposition.
Fixed Charge Coverage (TTM)	4.5X	4.6X	4.5x	5.0x	<ul style="list-style-type: none"> - Reflects impact of 2017 unstabilized development and acquisitions.
Net Debt to Core EBITDA (TTM)	4.5X	4.6X	5.3X	4.8X	<ul style="list-style-type: none"> - Previous guidance of 5.5X to 5.0X. - Reflects short-term impact of medical office properties disposition. - Increase to fund development. - Maintain Baa1/BBB+ ratings.