



CM Realty, Inc.

Tri-Valley 3rd Quarter 2007 Office Market Report

Where Challenges Meet Solutions

Lease / Sublease Transactions	Address	City	Tenant	SF
	4155 Hopyard Road	Pleasanton	Ellie Mae	42,000
	6120 Stoneridge Mall Road	Pleasanton	ABHOW	25,000
	4256 Hacienda Drive	Pleasanton	Transdyn	21,241
	365 N Canyons Parkway	Livermore	National Food Laboratories	20,689
	6800 Koll Center Parkway	Pleasanton	Allied Waste	17,740
	5000 Hopyard Road	Pleasanton	Wachovia Corporation	15,000
	5959 West Las Positas	Pleasanton	I-Trade Network	14,630
	6120 Stoneridge Mall Road	Pleasanton	Insurance Company of the West	13,900
	12677 Alcosta Boulevard	San Ramon	Toshiba America Inc.	7,099
5724 W Las Positas	Pleasanton	Worldwide Circuit Technology	1,800	

Sale Transactions	Address	City	Buyer	Seller	SF	Price/SF
	4141 Hacienda Drive	Pleasanton	Marc Paul Inc.	Clair Robison	45,122	\$359.03
	4301 - 4309 Hacienda Drive	Pleasanton	Legacy Hacienda Terrace LLC	Blackstone EOP	275,641	\$312.00
	Dublin Corporate Center	Dublin	Tishman Speyer	BIT Holding Fifty-Six Inc.	415,807	\$291.00
	The Plaza at San Ramon	San Ramon	Legacy Partners	Blackstone	308,500	\$278.77
	5050 Hopyard Road	Pleasanton	Hacienda MD	CM Center Property Inc.	130,307	\$268.60
	5142 Franklin Drive	Pleasanton	UCS Properties LLC	Kevin Degnan MD	34,200	\$236.84
	5933 Coronado Lane	Pleasanton	Coronado Partners LLC	Trevi Partners	19,570	\$219.72
	455/477 No Canyons Pkwy	Livermore	ING Clarion/Harvest Properties	Tech Park at North Canyons	145,224	\$148.05
	Hopyard Plaza	Pleasanton	Phillip Yee	Chamberlin Associates	41,290	undisclosed

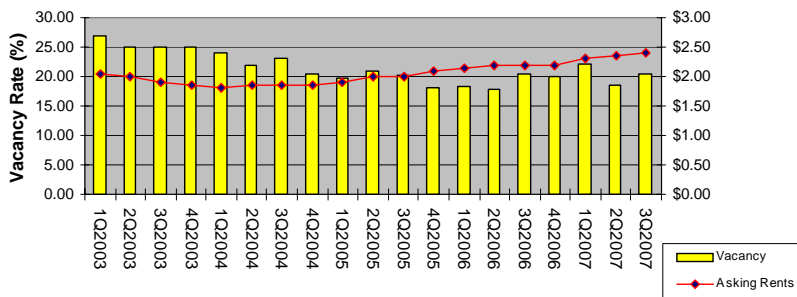


Ellie Mae Leased 42,000 SF at 4155 Hopyard Road, Pleasanton

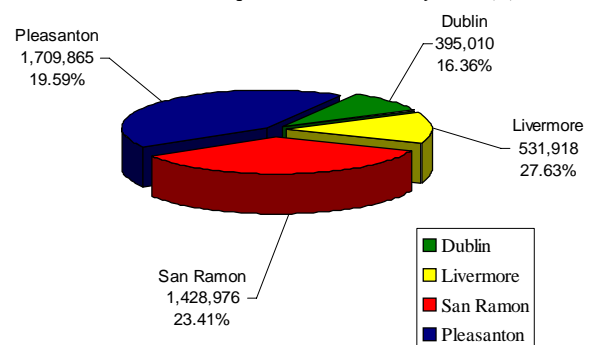


Allied Waste Leased 17,740 SF at 6800 Koll Center Parkway, Pleasanton

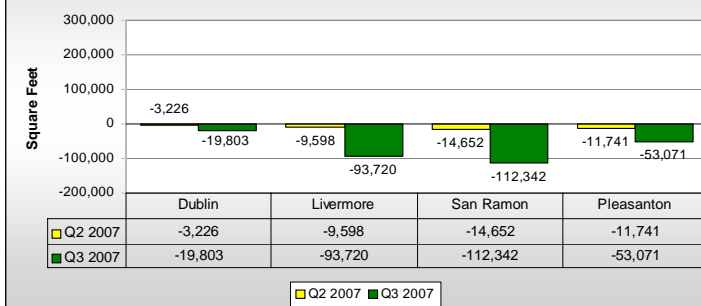
Office Class A
Rents and Vacancy Rates (%)



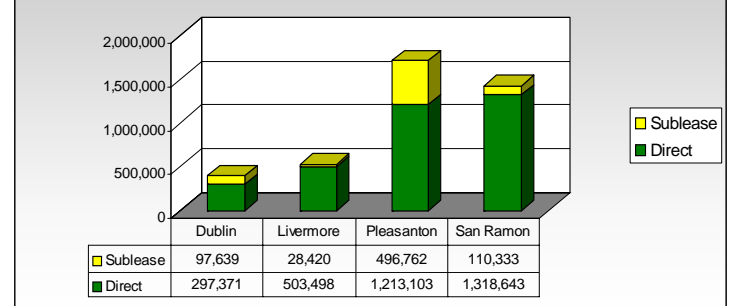
Total Available Square Feet and Vacancy Rates (%)



Tri-Valley Net Absorption by Submarket
2nd Quarter 2007 to 3rd Quarter 2007



Available Square Feet by Submarket
3rd Quarter 2007



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CM REALTY INDEX – TRI-VALLEY

	# of Bldgs	Inventory	Total SF Avail		Direct Available		Sublease Available		Vacancy Rate		3rd Qtr Absorption		YTD Absorption		
			2nd Qtr '07	3rd Qtr '07	2nd Qtr '07	3rd Qtr '07	2nd Qtr '07	3rd Qtr '07	2nd Qtr '07	3rd Qtr '07	2nd Qtr '07	3rd Qtr '07	Gross	Net	Gross
Dublin															
Office Class A	8	1,021,280	212,117	215,567	139,040	139,040	73,077	76,527	20.77%	21.11%	0	-3,450	13,669	5,264	
Office Class B	5	116,938	75,260	75,475	63,152	63,367	12,108	12,108	64.36%	64.54%	3,838	-215	3,838	-13,929	
Office Class C	21	590,493	37,818	41,567	34,509	39,717	3,309	1,850	6.40%	7.04%	9,639	-3,749	25,409	-14,435	
Office/Flex	17	686,476	50,012	62,401	42,858	55,247	7,154	7,154	7.29%	9.09%	0	-12,389	15,823	-14,849	
	51	2,415,187	375,207	395,010	279,559	297,371	95,648	97,639	15.54%	16.36%	13,477	-19,803	58,739	-37,949	
Livermore															
Office Class A	2	97,848	18,945	1,992	18,945	1,992	0	0	19.36%	2.04%	16,953	16,953	37,650	20,696	
Office Class B	7	296,407	87,761	100,359	84,769	96,562	2,992	3,797	29.61%	33.86%	0	-12,598	21,206	-16,967	
Office Class C	1	78,750	0	0	0	0	0	0	0.00%	0.00%	0	0	0	0	
Office/Flex	35	1,452,282	331,492	429,567	303,717	404,944	27,775	24,623	22.83%	29.58%	14,799	-98,075	65,891	-157,050	
	45	1,925,287	438,198	531,918	407,431	503,498	30,767	28,420	22.76%	27.63%	31,752	-93,720	124,747	-153,321	
Pleasanton															
Office Class A	34	3,995,874	695,631	714,558	511,722	533,833	183,909	180,725	17.41%	17.88%	74,065	-18,927	198,295	-46,986	
Office Class B	46	1,790,739	305,010	332,362	239,017	289,501	65,993	42,861	17.03%	18.56%	81,505	-27,352	153,628	-103,486	
Office Class C	10	160,409	5,885	5,885	5,885	5,885	0	0	3.67%	3.67%	0	0	927	-1,627	
Office/Flex	68	2,780,062	650,268	657,060	387,207	383,884	263,061	273,176	23.39%	23.63%	43,260	-6,792	194,727	-32,560	
	158	8,727,084	1,656,794	1,709,865	1,143,831	1,213,103	512,963	496,762	18.98%	19.59%	198,830	-53,071	547,577	-184,659	
San Ramon															
Office Class A	37	5,108,025	1,055,111	1,164,580	963,857	1,057,756	91,254	106,824	20.66%	22.80%	118,317	-109,469	407,337	-223,453	
Office Class B	18	635,895	89,814	87,995	73,569	84,486	16,245	3,509	14.12%	13.84%	14,746	1,819	80,060	-6,403	
Office Class C	1	115,000	0	0	0	0	0	0	0.00%	0.00%	0	0	0	0	
Office/Flex	3	246,875	171,709	176,401	171,709	176,401	0	0	69.55%	71.45%	0	-4,692	0	-175,076	
	59	6,105,795	1,316,634	1,428,976	1,209,135	1,318,643	107,499	110,333	21.56%	23.40%	133,063	-112,342	487,397	-404,932	
CM Realty Tri-Valley Office & Office/Flex Index															
Totals	313	19,173,353	3,786,833	4,065,769	3,039,956	3,332,615	746,877	733,154	19.75%	21.21%	377,122	-278,936	1,218,460	-780,861	
Tri-Valley Office & Office/Flex Including Owner/Users															
Totals	365	26,416,924	3,786,833	4,065,769	3,039,956	3,332,615	746,877	733,154	14.33%	15.39%	377,122	-278,936	1,218,460	-780,861	

CM Realty publishes two sets of numbers for the Tri-Valley. One set of numbers reflects the total inventory of square footage of office and office/flex buildings in the market including owner/user occupied buildings. We call that index the Tri-Valley Office/Office Flex Inventory Including Owner/Users. This index is important because of the 6,789,927 square feet of owner/occupied office buildings in the Tri-Valley. The other index is the CM Realty Index ("CM Realty Index"). The only difference between these two indexes is Owner/Users are not included in the CM Realty Index. The indexes:

- Include all of the office and office/flex buildings in the market over 5,000 square feet that are not government buildings or medical buildings;
- Include all buildings that have at least 3 parking spaces per 1,000 rentable square feet;
- Determine Building Class (A, B, C) by BOMA standards;
- Are exclusively office and office/flex buildings. Although we do track light industrial, industrial and warehouse buildings in the market, we do not count them in either index.
- Consider office buildings to be under construction until glass is installed in the building and until that time they are not counted in the indexes; and
- Account for all available space offered to the market, direct and sublease, whether or not it is occupied.

Submarket (Office)	Vacancy Rate		Asking Rent Range (FS)
	Q2 '07	Q3 '07	
Dublin	15.54%	16.36%	\$1.70 - \$2.45
Livermore	22.76%	27.63%	\$1.65 - \$2.10
Pleasanton	18.98%	19.59%	\$1.80 - \$2.60
San Ramon	21.56%	23.40%	\$1.85 - \$2.50

Legacy Hacienda Terrace LLC Purchased
4301-4309 Hacienda Drive from Blackstone EOP



The information contained herein has been obtained from sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.