

San Francisco 1st Quarter 2009 Office Market Report



Where Challenges Meet Solutions

Q1 2009 Lease Transactions	Address	Submarket	Tenant		Size (SF)
	One Market Street	South Financial	Duane Morris LLP (renewal)		50,161
	1170 Market Street	Civic Center	Art Institute of California		37,000
	505 Montgomery Street	Noth Financial	Horsley Bridge Partners		21,000
	38 Keyes Avenue	Presidio	Just Answer		19,100
	45 Fremont Street	South Financial	Marriott International		19,000
	185 Berry Street	SOMA/Mission Bay	UCSF Immune Tolerance Network (renewal)		17,500
	300 California Street	North Financial	Recurrent Energy, Inc		15,400
	Three Embarcadero	North Financial	Phillips, Spallas & Angstadt, LLP		15,400
	88 Kearny Street	Noth Financial	Bank of the West		13,400
	230 Montgomery Street	North Financial	Climateworks Foundation		10,600
	301 Howard Street	South Financial	BenefitPoint, Inc. (renewal)		10,000
	153 Kearny Street	Union Square	Birst, Inc.		9,900
150 Spear Street	South Financial	InsideTrack Learning		9,500	
100 Montgomery Street	North Financial	Enovity, Inc		9,000	

Sale Transactions	Address	Submarket	Buyer	Price	Size (SF)
	717 Battery Street	Jackson Square	Michael Birch (Bebo)	\$7,250,000	32,500
	165 10th Street	SOMA	Gelfand Partners	\$3,250,000	11,750
	2201 Irving Street	West of Van Ness	Penninsula Finance	\$4,200,000	11,500
	706 Sansome Street	Jackson Square	Sansome 706 LLC	\$6,800,000	9,000

***** Tenants were represented by CM Realty, Inc. Please call for more details. *****



Charles Schwab plans to vacate its 375,000 RSF headquarters at One Montgomery Street in the North Financial District

CM Realty Index – Q1 2009 San Francisco

MARKET	# of Buildings	Inventory	Total SF Avail		Direct Available		Sublease Available		Vacancy Rate		1st Qtr Absorption	
			4th	1st	4th	1st	4th	1st	4th	1st	Gross	Net
Financial District												
North Financial District	121	28,281,036	3,229,562	3,453,043	2,377,699	2,975,278	646,471	477,765	11.42%	12.21%	590,350	-223,481
South Financial District	112	25,423,740	2,949,225	3,106,587	3,386,441	2,954,493	119,103	152,094	11.60%	12.22%	287,216	-157,362
CM Realty Index for Financial District												
Totals	233	53,704,776	6,178,787	6,559,630	5,764,140	5,929,771	765,574	629,859	11.51%	12.21%	877,566	-380,843
Downtown South												
South of Market	105	6,710,448	1,015,877	1,063,928	985,943	1,033,994	29,934	29,934	15.14%	15.85%	3,500	-48,051
Rincon Hill/South Beach	69	4,751,025	479,215	559,099	432,295	462,234	46,920	96,865	10.09%	11.77%	65,242	-79,884
Downtown North												
Jackson Square	58	2,149,590	131,297	173,509	131,297	172,009	0	1,500	6.11%	8.07%	14,764	-42,212
North Waterfront	59	3,738,845	263,523	320,662	242,653	276,162	20,870	44,500	7.05%	8.58%	20,674	-57,139
Downtown West												
Yerba Buena	39	4,312,499	568,442	592,614	559,673	575,845	8,769	16,769	13.18%	13.74%	84,166	-24,172
Union Square	84	4,270,287	264,756	317,464	245,489	299,977	19,267	17,487	6.20%	7.43%	22,848	-52,708
CM Realty Index for SF Central Business District												
Totals	647	79,637,470	8,901,897	9,586,906	8,361,490	8,749,992	891,334	836,914	11.46%	12.04%	1,088,760	-685,009

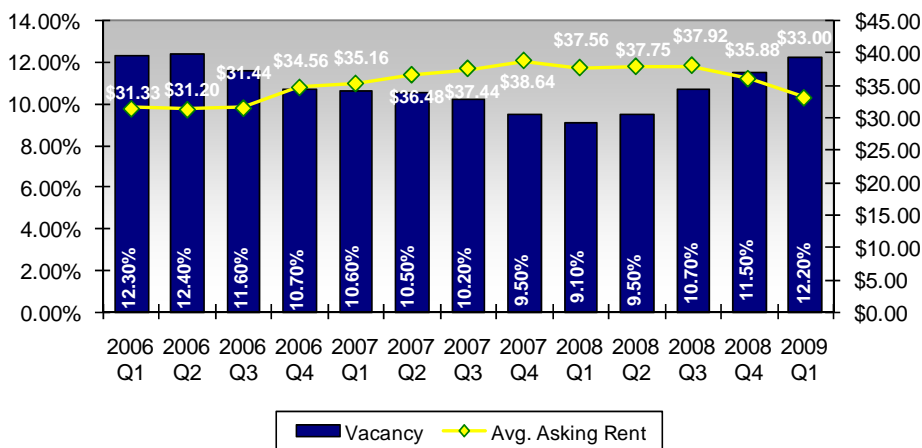
The information contained herein has been obtained from sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

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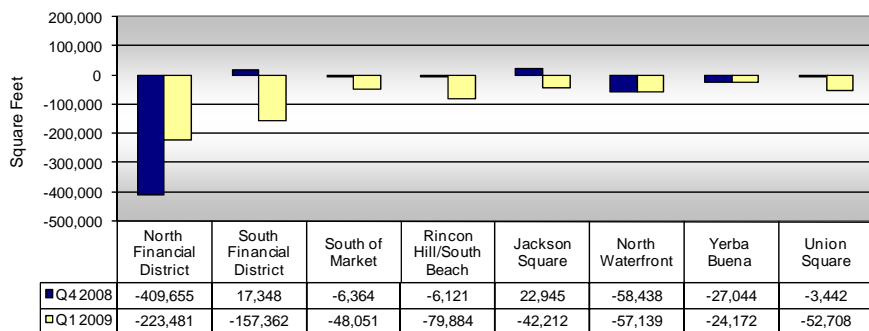
Where Challenges Meet Solutions

Financial District - Class A & B Direct & Sublease Combined

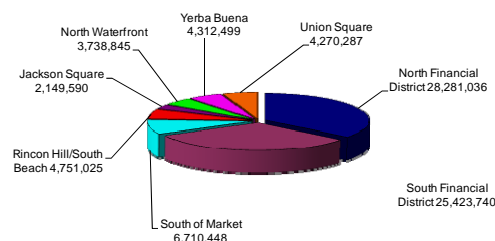


Macy's began marketing its 155,000 RSF Macy's West Division at 22 Fourth Street, Pacific Place in the Yerba Buena submarket

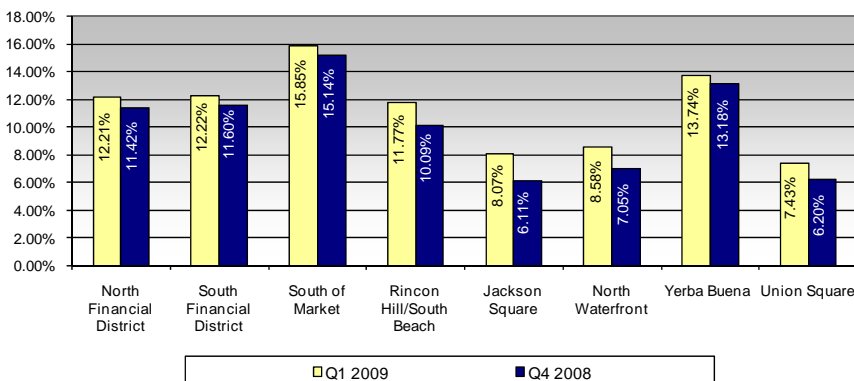
San Francisco Net Absorption by Submarket 4th Quarter 2008 to 1st Quarter 2009



CM Realty San Francisco Office Index Inventory (Rentable Square Feet)



San Francisco Office Vacancy Rate by Submarket



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