

Tri-Valley 1st Quarter 2009 Office Market Report



Where Challenges Meet Solutions

CM Realty Index – Tri-Valley

	# of Bldgs	Inventory	Total SF Avail		Direct Available		Sublease Available		Vacancy Rate		1st Qtr Absorption	
			4th Qtr '08	1st Qtr '09	4th Qtr '08	1st Qtr '09	4th Qtr '08	1st Qtr '09	4th Qtr '08	1st Qtr '09	Gross	Net
Dublin												
Office Class A	8	1,021,280	331,542	318,516	319,411	306,385	12,131	12,131	32.46%	31.19%	27,224	13,026
Office Class B	5	116,938	55,328	46,008	55,328	46,008	0	0	47.31%	39.34%	12,000	9,320
Office Class C	21	590,493	64,250	119,517	64,250	119,517	0	0	10.88%	20.24%	9,153	-55,267
Office/Flex	17	686,476	91,714	108,819	62,481	62,802	29,233	46,017	13.36%	15.85%	1,350	-17,105
	51	2,415,187	542,834	592,860	501,470	534,712	41,364	58,148	22.48%	24.55%	49,727	-50,026
Livermore												
Office Class A	2	97,848	24,600	28,268	11,641	11,641	12,959	16,627	25.14%	28.89%	0	-3,668
Office Class B	7	296,407	88,675	88,960	88,675	88,960	0	0	29.92%	30.01%	7,644	-285
Office Class C	1	78,750	0	0	0	0	0	0	0.00%	0.00%	0	0
Office/Flex	35	1,452,282	480,691	486,066	457,916	463,291	22,775	22,775	33.10%	33.47%	10,632	-5,375
	45	1,925,287	593,966	603,294	558,232	563,892	35,734	39,402	30.85%	31.34%	18,276	-9,328
Pleasanton												
Office Class A	39	4,231,224	1,017,146	1,352,426	864,941	1,152,460	152,205	165,229	24.04%	31.96%	117,612	-335,280
Office Class B	46	1,790,739	410,379	414,189	331,341	356,958	79,038	57,231	22.92%	23.13%	41,022	-3,810
Office Class C	10	160,409	18,918	21,915	18,918	21,915	0	0	11.79%	13.66%	4,694	-2,997
Office/Flex	68	2,780,062	502,323	644,121	434,998	589,122	67,325	54,999	18.07%	23.17%	35,976	-141,798
	163	8,962,434	1,948,766	2,432,651	1,650,198	2,120,455	298,568	277,459	21.74%	27.14%	199,304	-483,885
San Ramon												
Office Class A	37	5,108,025	839,381	826,317	652,377	647,849	187,004	178,468	16.43%	16.18%	81,364	13,064
Office Class B	18	635,895	177,246	181,756	172,532	177,042	4,714	4,714	27.87%	28.58%	19,839	-4,510
Office Class C	1	115,000	0	0	0	0	0	0	0.00%	0.00%	0	0
Office/Flex	3	246,875	36,401	26,068	36,401	26,068	0	0	14.74%	10.56%	10,333	10,333
	59	6,105,795	1,053,028	1,034,141	861,310	850,959	191,718	183,182	17.25%	16.94%	111,536	18,887
CM Realty Tri-Valley Office & Office/Flex Index												
Totals	318	19,408,703	4,138,594	4,662,946	3,571,210	4,070,018	567,384	558,191	21.32%	24.03%	378,843	-524,352
Tri-Valley Office & Office/Flex Including Owner/Users												
Totals	365	26,352,274	4,138,594	4,662,946	3,571,210	4,070,018	567,384	558,191	15.70%	17.69%	378,843	-524,352

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:

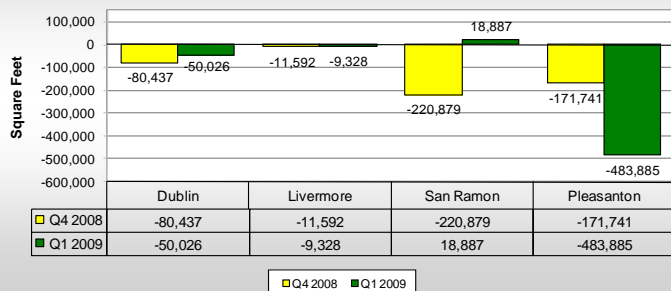
- Include all of the office and office/flex buildings in the market over 5,000 square feet that are not government buildings or medical buildings;
- Include all buildings that have at least 3 parking spaces per 1,000 rentable square feet;
- Determine Building Class (A, B, C) by BOMA standards;
- Are 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.

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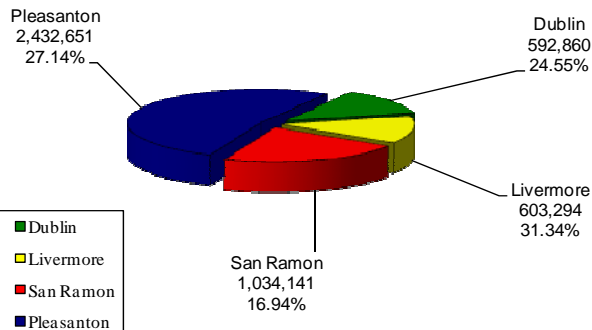


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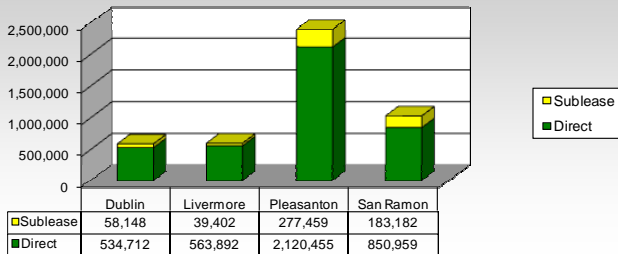
**Tri-Valley Net Absorption by Submarket
4th Quarter 2008 to 1st Quarter 2009**



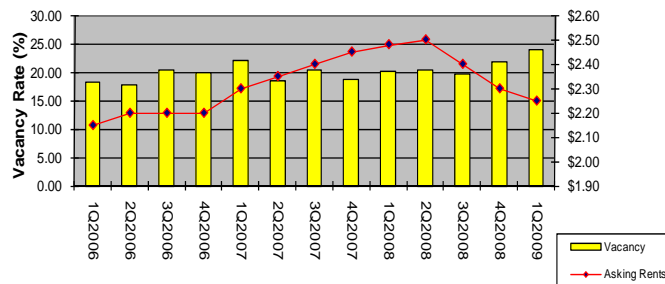
Total Available Square Feet and Vacancy Rates (%)



**Available Square Feet by Submarket
1st Quarter 2009**



**Office Class A
Rents and Vacancy Rates (%)**



Lease / Sublease Transactions	Address	City	Tenant	SF
	11501 Dublin Boulevard	Dublin	Graybar Electric Company Inc	21,000
	5720 Stoneridge Drive	Pleasanton	Microchip Biotechnologies	15,787
	6900 Koll Center Parkway	Pleasanton	MarketSmart Inc. (Renewal)	15,600
	5924 Stoneridge Drive	Pleasanton	RadNet Management, Inc.	8,800
	Bernal Corporate Park	Pleasanton	Siemens Medical (Renewal & Downsize)	3,636
	12657 Alcosta Boulevard	San Ramon	Liberty Mutual	28,000

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.