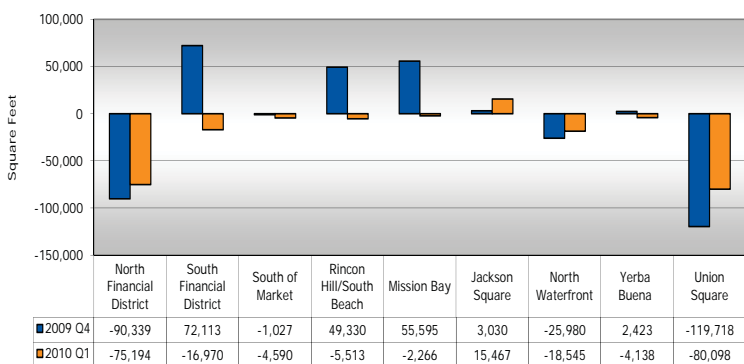


# MARKET REPORT SAN FRANCISCO

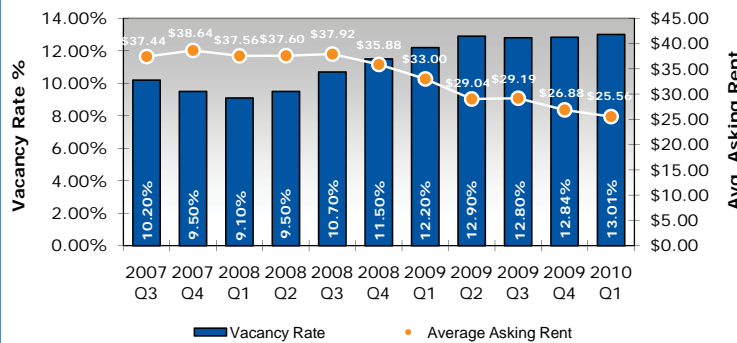
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MARKET	# of Buildings	Inventory	Total SF Avail		Direct Available		Sublease Available		Vacancy Rate		1st Qtr Absorption		YTD Absorption	
			Q4 2009	Q1 2010	Q4 2009	Q1 2010	Q4 2009	Q1 2010	Q4 2009	Q1 2010	Gross	Net	Gross	Net
<b>Financial District</b>														
North Financial District	120	28,327,740	3,872,880	3,948,074	3,188,754	3,293,096	684,126	654,978	13.67%	13.94%	531,621	-75,194	531,621	-75,194
South Financial District	115	24,881,039	2,986,968	3,003,938	2,816,297	2,847,954	170,671	155,984	12.00%	12.07%	378,212	-16,970	-4,590	-16,970
<b>Totals for Financial District</b>														
	<b>235</b>	<b>53,208,779</b>	<b>6,859,848</b>	<b>6,952,012</b>	<b>6,005,051</b>	<b>6,141,050</b>	<b>854,797</b>	<b>810,962</b>	<b>12.89%</b>	<b>13.07%</b>	<b>909,833</b>	<b>-92,164</b>	<b>527,031</b>	<b>-92,164</b>
<b>Downtown South</b>														
South of Market	111	6,793,146	1,332,956	1,337,546	1,306,368	1,618,627	26,588	43,985	19.62%	19.69%	66,019	-4,590	66,019	-329,656
Rincon Hill/South Beach	68	5,103,677	628,965	634,478	560,407	528,675	105,803	68,558	12.32%	12.43%	119,952	-5,513	119,952	-5,513
Mission Bay	15	2,558,348	712,574	714,840	712,574	714,840	0	0	27.85%	27.94%	114,713	-2,266	6,160	-2,266
<b>Downtown North</b>														
Jackson Square	60	2,111,584	284,928	269,461	277,928	266,461	7,000	3,000	13.49%	12.76%	47,492	15,467	47,492	15,467
North Waterfront	59	3,825,174	391,256	409,801	358,994	368,682	32,262	41,119	10.23%	10.71%	66,340	-18,545	66,340	-18,545
<b>Downtown West</b>														
Yerba Buena	40	3,947,416	709,948	714,086	576,899	587,710	133,049	126,376	17.99%	18.09%	59,321	-4,138	59,321	-4,138
Union Square	87	4,688,136	491,802	571,900	472,442	552,540	19,360	19,360	10.49%	12.20%	108,648	-80,098	108,648	-80,098
<b>Totals for SF Central Business District</b>														
	<b>660</b>	<b>82,236,260</b>	<b>11,412,277</b>	<b>11,604,124</b>	<b>10,270,663</b>	<b>10,778,585</b>	<b>1,178,859</b>	<b>1,113,360</b>	<b>13.88%</b>	<b>14.11%</b>	<b>1,492,318</b>	<b>-191,847</b>	<b>1,000,963</b>	<b>-516,913</b>

San Francisco Net Absorption by Submarket  
4th Quarter 2009 to 1st Quarter 2010



Financial District - Class A & B  
Vacancy and Rental Rates



	Address		Submarket	Tenant		Size (RSF)
Lease Transactions		345 Spear Street *	South Financial	Medivation, Inc. (Termination)		63,817
		575 Florida Street	Potrero Hill	Charlotte Russe Holdings, Inc. (New Deal)		52,910
		One Montgomery Street	North Financial	Three (3) New Sublease Deals From Charles Schwab		52,000
		225 Bush Street, 8th & 9th floors	North Financial	Blue Shield (Renewal)		51,275
		One Montgomery Street	North Financial	URS Corporation		38,128
		795 Folsom Street	Yerba Buena	Twitter, Inc. (31,500K Expansion, Occupy 63,000K)		31,500
		153 Townsend Street	Rincon Hill/South Beach	Greenberg Traurig (New Sublease Deal)		28,788
		201 3rd Street	Yerba Buena	Quantcast (Direct Deal off of a Sublease)		26,000
		651 Brannan Street	SOMA	SFMTA (New Deal)		23,125
		One Embarcadero Center, 4th floor	North Financial	Morris, Polich, Purdy (New Sublease Deal)		20,178
		706 Mission Street	Yerba Buena	Yelp (20K Expansion, Occupy 50K)		20,000
		One Market, Spear Tower, 41st floor **	South Financial	Promontory Financial Group (New Deal - highwater mark)		9,200
	TIMS		75 Hawthorne	South Financial	Environmental Protection Agency (GSA)	
		50 Fremont Street	South Financial	Deloitte		180,000
		Multiple Buildings	Potrero Hill	Zynga		150,000
		425 & 525 Market Street	South Financial	Sephora		150,000
		50 Fremont	South Financial	Pillsbury Winthrop		140-160,000
Sales	Address		Submarket	Buyer	Size (RSF)	Price PSF
		211 Main Street	South Financial	CIM Group	371,825	\$ 300.00
		49 Stevenson Street	South Financial	Pan Pacific Co.	121,000	\$ 190.00
		550 Montgomery Street	North Financial	Downtown Property Holdings	94,000	\$ 134.00
		153 Kearny Street	Union Square	Sierra Maestra	54,000	\$ 80.00
	One Sansome Street ***	North Financial	Barker Pacific Group	550,000	\$ -	

\* Lease Termination. Original lease was a seven (7) year lease signed in November 2010.  
\*\* Most expensive lease signed in 1st Quarter at just over \$60 PSF per year. In 2007, same space would have been leased at approximately \$100 PSF per year  
\*\*\* Broadway Partner gave back the building to its lender Prudential who has brought up Barker Pacific Group to manage.