



Downtown Sacramento continues to be one of the region's largest employment centers with an estimated downtown employment population of 92,950. Downtown's office market represents about 39% of the city's total office space and approximately 61% of Class A office space. Overall, Downtown's office market remains strong with a vacancy rate of approximately 8.5%, compared to the national vacancy rate of 12.8%. In the 4th Quarter of 2008, Downtown's vacancy rate and lease rates decreased slightly.[†] Later this year, an additional 487,942 square feet of new office space will be added with completion of the Bank of the West Tower and Raley's Landing Complex.

[†]Source: Claritas. Downtown Sacramento defined as 1-mile radius from 9th and J streets.

Downtown Office Market Facts[§]

All Classes

- Office Inventory (sf) 20,644,664
- Occupied Office Space 92%
- Average Lease Rate per sf \$2.24

Class A

- Office Inventory (sf) 8,634,653
- Occupied Office Space 95%
- Average Lease Rate per sf \$2.76

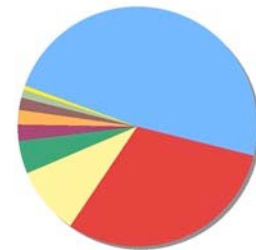
Proposed Construction

Project Name	Sq Ft
Railyards	2,986,500
Docks Project	500,000
Crystal Ice Building	TBA
TOTAL	6,486,500

[§]CoStar Group Q1 2009, zip code 95814

Downtown Workforce[§]

- Government - 44,979
- Services - 28,314
- Retail - 8,484
- Financial - 4,080
- Transportation - 2,142
- Manufacturing - 1,876
- Construction - 1,530
- Wholesale - 1,032
- Agriculture - 504

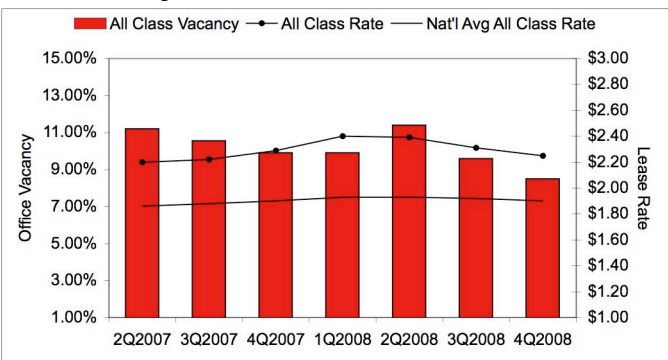
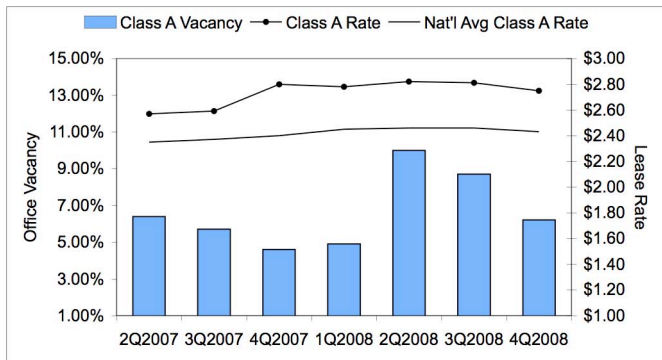


New Construction

Project Name	Sq Ft	Est. Completion
Bank of the West Tower	467,942	2009
Raley's Landing Complex	20,000	2009
TOTAL	487,942	

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Downtown Class A & All Class Vacancy vs Lease Rates[§]



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