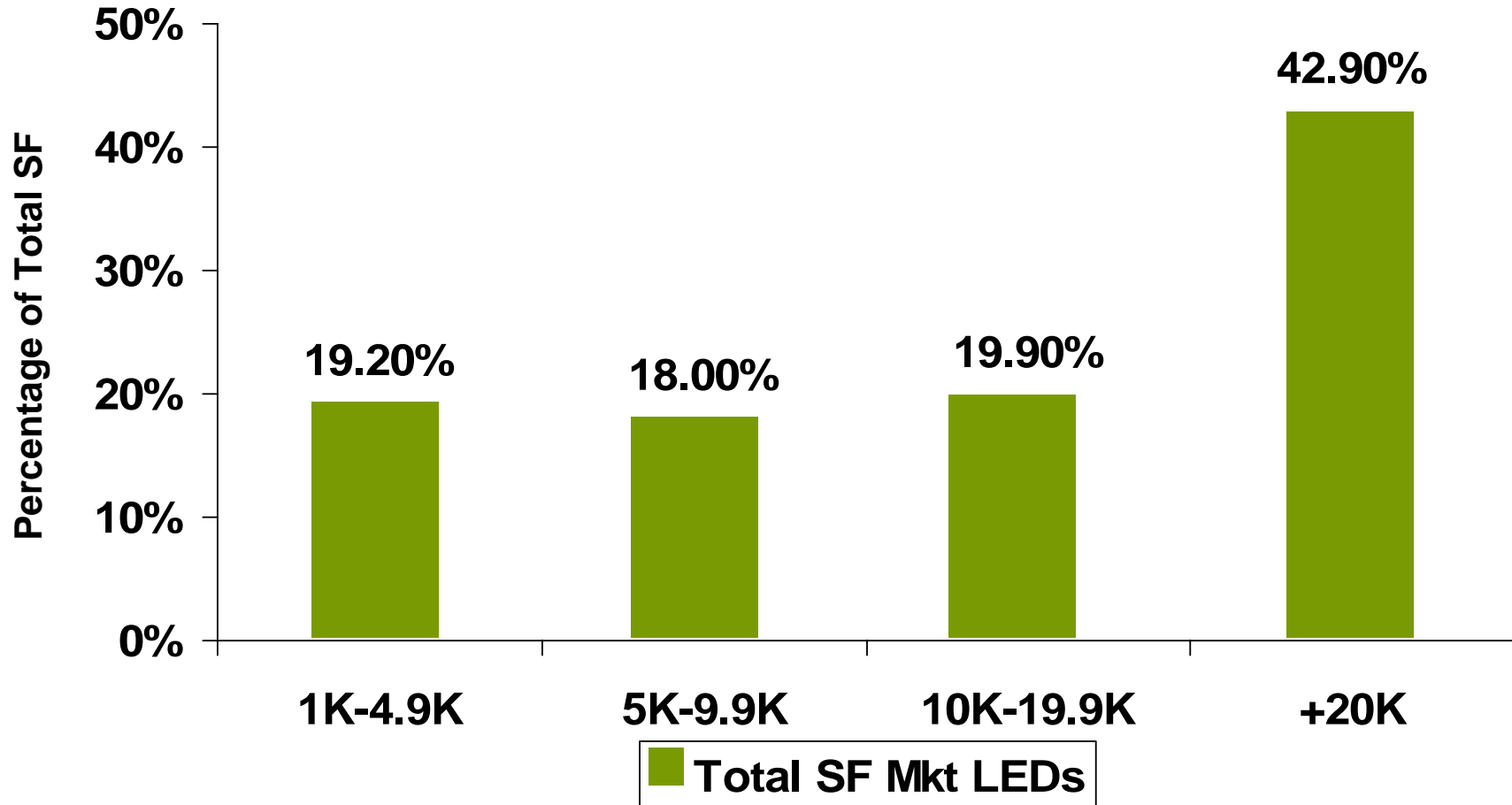


## San Mateo County Office Market Overview Notes

- **San Mateo County Vacancy has dropped over 50% in past 36 months;**
  - High of 26.4%;
  - Existing vacancy 13.8%
- **Absorption projections call for 1.25 MM SF per year being absorbed in SM County for next 36 months**
- **Vacancy projected to decrease to <4% by 2009;**
- **Projected demand will be for large blocks of space over next 36 months;**

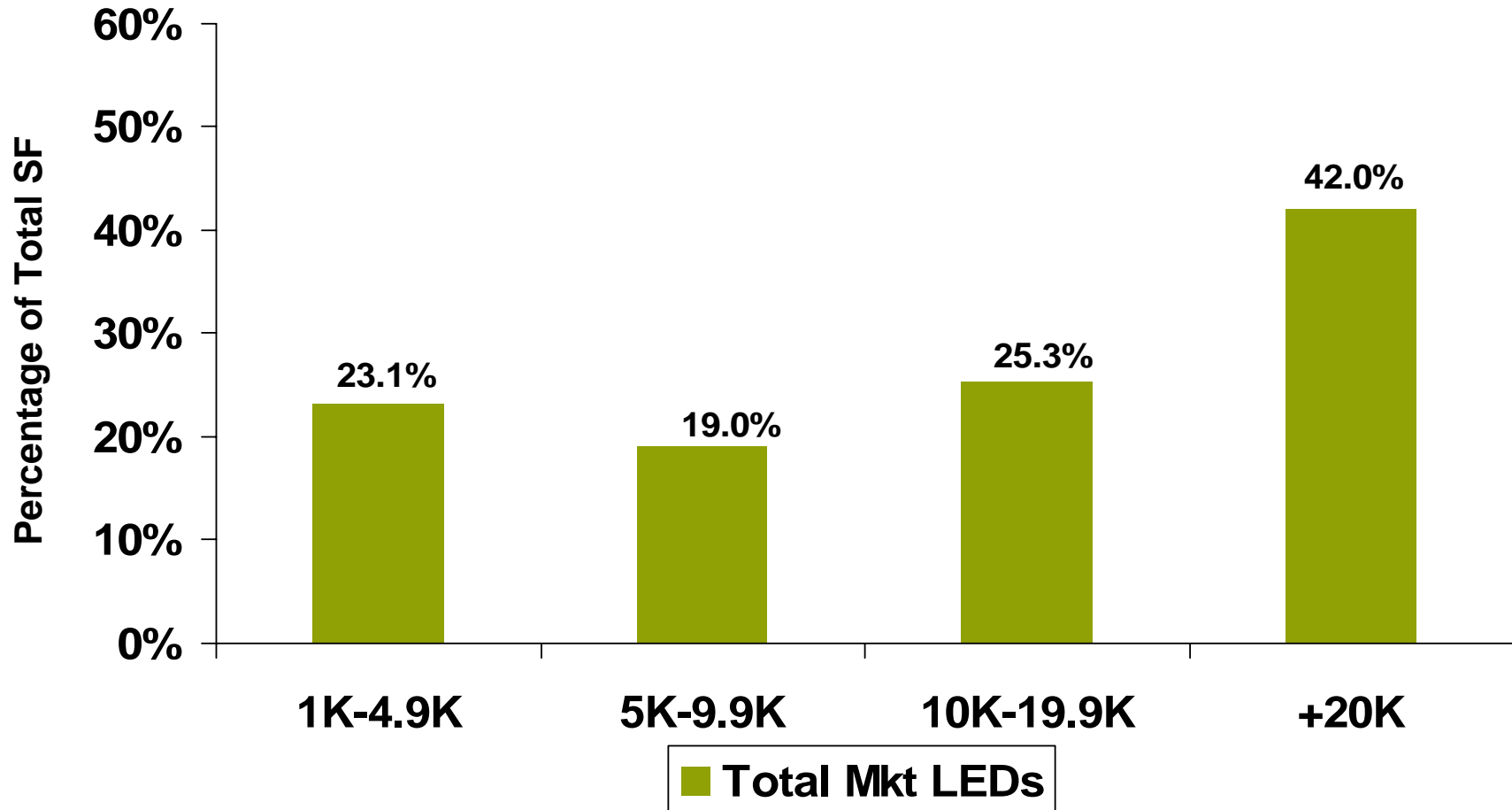
# Market LEDs\*

## San Mateo County



# Mkt. LEDs\*

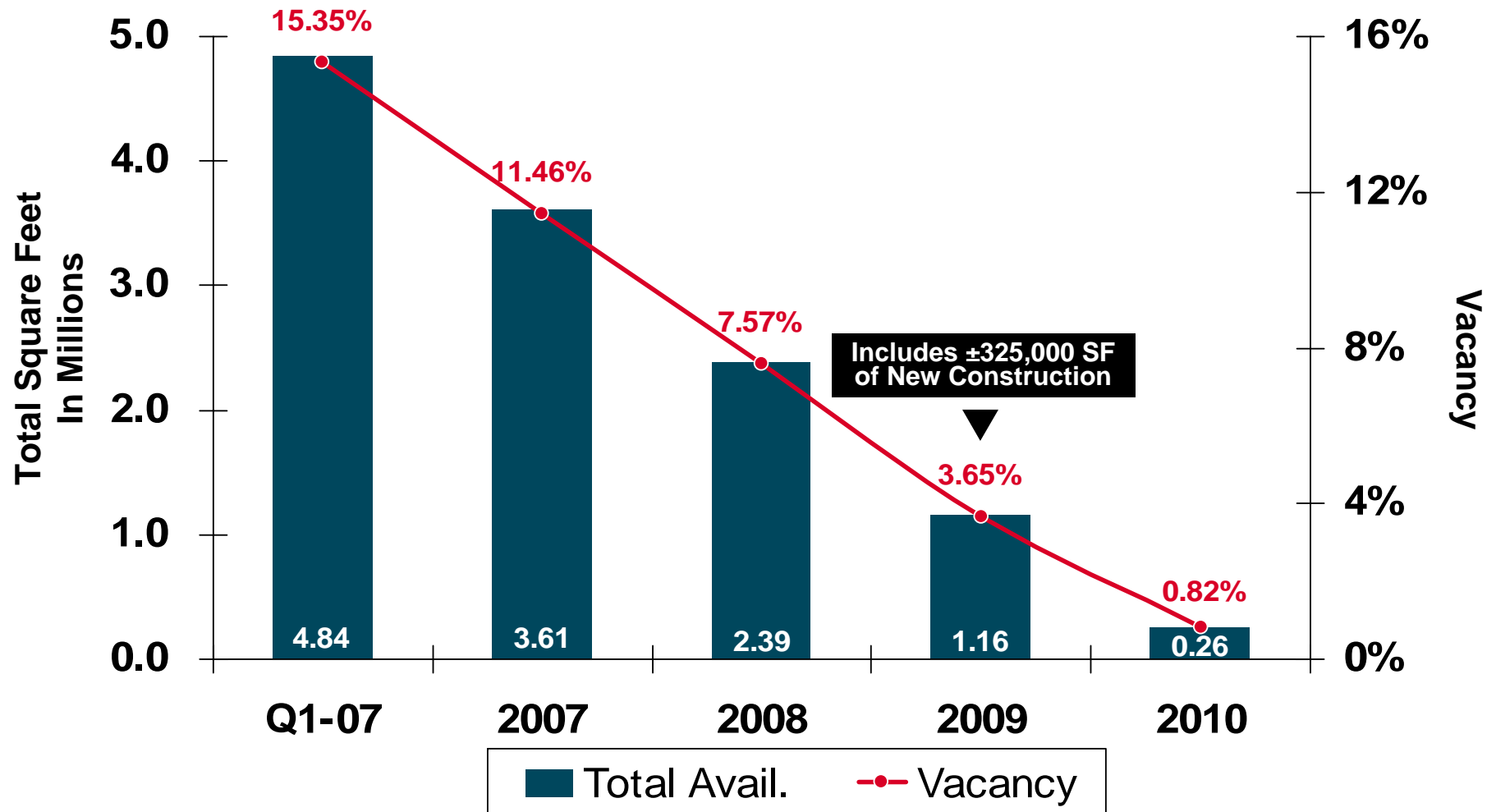
## San Mateo / Foster City



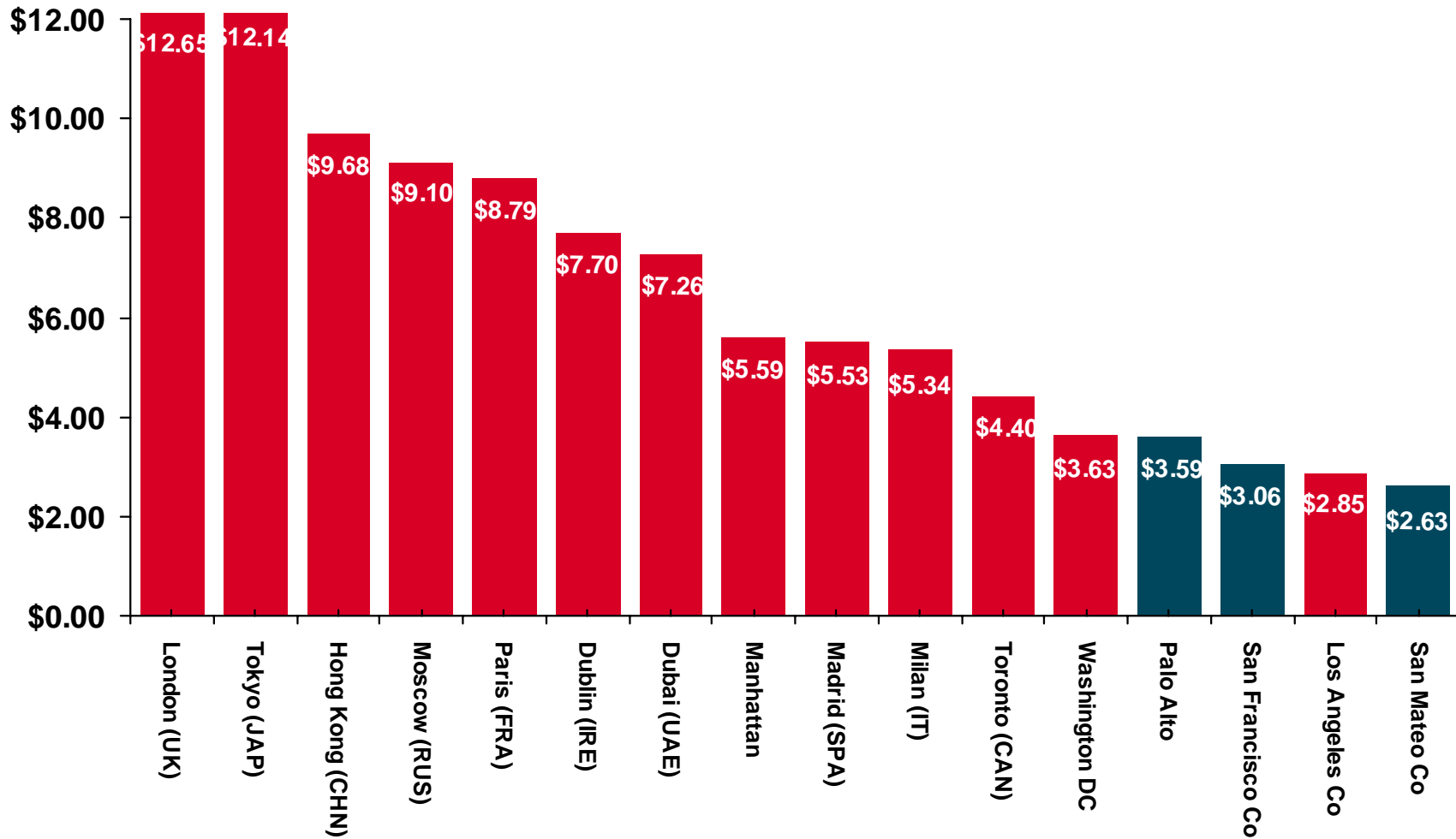
# San Mateo County Major Office Development Pipeline



# San Mateo County Supply vs. Projected Demand



# Major Market Office Rental Rate Comparison



# Target Tenants

<u>Life Sciences</u>			<u>Internet / Software</u>		
Amgen	Genentech	Lash Group	Walmart.com	Oracle	CollabNet
Elan	Solstice Neuro**	Health Plan of SM	Shopping.com	CA	LifeMasters
Monogram	Actelion	Glaxo SmithKline	Devicescape	Sony	EFI
Sunesis	Kalo Bios	Roche	Avid Technology	Electronic Arts	Envivio
Antipodean	Exilixis	Novo Nordisk	IGN	Tibco	WebSideStory
Rinat / Pfizer	Alexza	Gilead Sciences	Activision	Macrovision	SuccessFactors
Entelos	Saegis (HMB)	Applied Bio	Glu Mobile	Shutterfly	CMP
Telik	Kosan	Fluidigm	YouTube	Digital Chocolate	Serena Software
Poniard	XDX	AGY Thera.	ServiceSource (SF)	NetSuite	Akamai
CellGenesys	Cytokinetics	Raven	IBM	CollabNet	Glam Media
Renovis	Rigel	Invitrogen	EMC	LifeMasters	
<b>Palo Alto Life Science Companies</b>			<b>San Francisco Tech Firms</b>		
<u>Venture Capital</u>			<u>Other</u>		
Clarus	MPM Capital	Sanderling	Bebe Stores	UCSF	GAP
VantagePoint	Blueprint Ventures	Battery Ventures	CHW	Kaiser	USPS
			Wells Fargo	FAA	
			Franklin Funds	Visa Intl	

## Projected Job Growth



### Association of Bay Area Governments

- |   |  |
|---|--|
| ■ Total Jobs San Mateo County 2005  | 337,000                                      |
| ■ Total Projected Jobs San Mateo County 2010                                    | <u>363,000</u>                               |
| ▪ <b>Total New Jobs</b>   | <b>26,000</b>                                |
| ▪ <b>Less Manufacturing Wholesale,<br/>Transportation, Retail and Education</b> | <b><u>12,000</u></b>                         |
| ▪ <b>Total New Office Building Occupant Jobs</b>                                | <b>14,000</b>                                |
| ■ 14,000 New Jobs at 300 SF per Person  | 4.2 Million SF                               |
| ■ This Tracks Very Closely With   | 4.8 Million SF of Positive<br>Net Absorption |