

Downtown Los Angeles Business Fact Sheet

Los Angeles Central Office Report

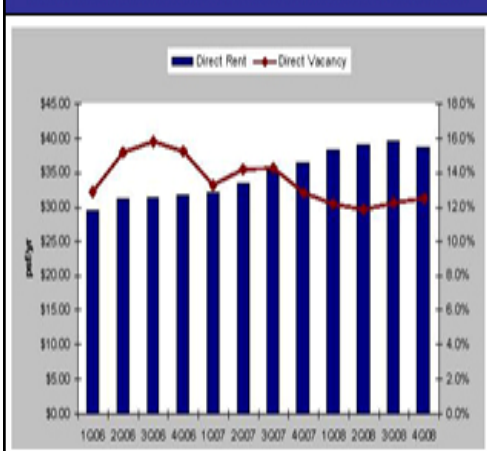
SIGNIFICANT 4Q08 NEW LEASE TRANSACTIONS

BUILDING	TENANT	SQUARE FEET	BLDG. CLASS
550 South Hope Street	Travers Realty Corporation	8,111	A
Ernst & Young Plaza	Crum & Forster Insurance Company	16,600	A
550 South Hope Street	Leo A Daly Company	17,438	A
Ernst & Young Plaza	Jackson Lewis, LLP	35,427	A
Two California Plaza	Reliance Steel and Aluminum Company	44,847	A
Mellon Bank Center	McKinsey Company	65,765	A
801 Tower	Seven Jeans	75,000	A
Union Bank Plaza	Union Bank of California	311,904	A

SIGNIFICANT 4Q08 SALE TRANSACTIONS

BUILDING	BUYER	SQUARE FEET	PURCHASE PRICE
NO SIGNIFICANT SALES IN 4Q08			

CBD CLASS A DIRECT RENTAL VS. VACANCY



MARKET FORECAST

LEASING ACTIVITY will likely drop off until 2010 when lease expirations pick up again and the expected turn in the economy drives demand back up.



DIRECT ABSORPTION will drop off through 2009 due to decreased demand.



CONSTRUCTION: There is little construction due to complete through 2010.



ECONOMIC INDICATORS

National	2007	2008	2009F
GDP Growth	2.0%	1.2%	-1.5%
CPI Growth	2.9%	4.2%	0.9%
Regional (LA)	2007	2,008	2009F
Unemployment	5.0%	7.2%	9.1%
Employment Growth	0.6%	-0.6%	-3.1%

Source: Moody's/Economy.com

Investment in Downtown Los Angeles 1999-2008

Property Type	Project Cost Total
Arts & Entertainment	\$1,036,800,000
Civic & Institutional	\$2,041,700,000
Commercial	\$451,000,000
Mixed-Use	\$6,372,000,000
Residential	\$6,427,100,000
Figuroa Corridor/Expo Park	\$1,500,000,000
Grand Total	\$17,828,600,000

Includes money secured for projects starting or approved for construction through 2008

