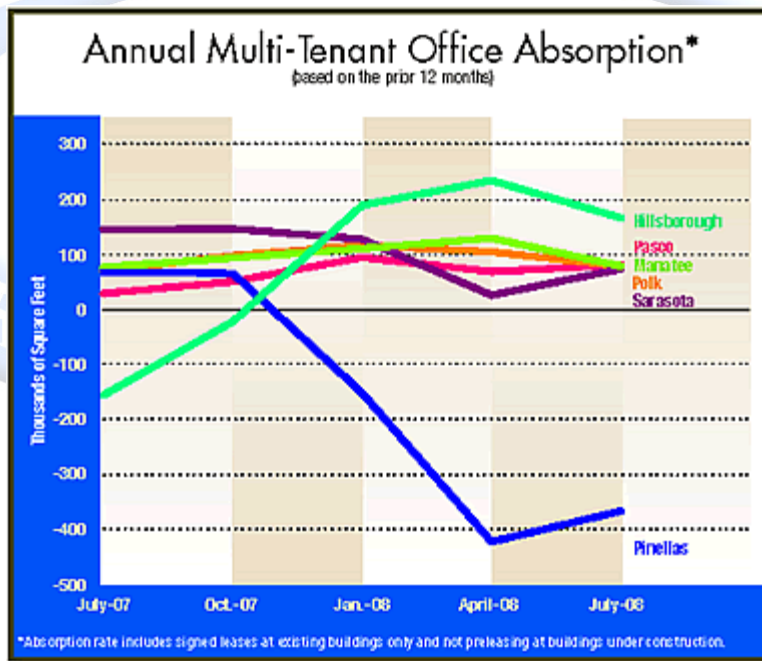


## OFFICE MARKET OVERVIEW

The compilation of the Maddux Report survey excludes owner occupied properties and “office buildings that have been fully leased for two or more quarters”. Hence, the Maddux statistics are inherently pessimistic because they omit the strongest performing multi-tenant properties and single-tenant properties. We have considered the Maddux data accordingly. The subject property is located in the Hillsborough County Office Market.

According to the *Maddux Report*, a local real estate monthly publication, as of July 2008, the Tampa Bay Region office market has a total inventory of 56.8 million square feet, of which 30.87 million square feet is located in Hillsborough County. Vacancy was reported at 14.8% for Hillsborough County, which is below the average vacancy rate of the region of 16.9%. The Hillsborough County Office Market has a weighted average rental rate of \$21.94 per square foot and 12 month space absorption of 168,460 square feet, or 14,038 square feet per month. The total space under construction was reported at 1.38 million square feet.



Multi-Tenant Office Market							
	Existing Leasable Space (S.F.)	Existing Vacant Space (S.F.)	% Vacant	Total Space Under Construction	Net Grty. Absorp.*	12-Month Absorp.*	Weighted Average Rents
Downtown	6.76-Mil	1.35-Mil	20.0%	0	4,180	-45,600	\$22.39
Westshore	11.76-Mil	1.25-Mil	10.6%	684,970	-131,940	-8,570	\$24.60
Southwest	410,920	67,930	16.5%	0	-8,510	-52,830	\$21.81
Northwest	2.98-Mil	280,050	9.4%	0	9,460	-29,160	\$20.16
North Central	874,965	170,883	19.5%	0	-18,650	-11,400	\$17.55
I-75 Parkway	8.09-Mil	1.44-Mil	17.8%	692,930	12,340	316,020	\$18.71
<b>Hillsborough Total</b>	<b>30.87-Mil</b>	<b>4.57-Mil</b>	<b>14.8%</b>	<b>1.38-Mil</b>	<b>-133,120</b>	<b>168,460</b>	<b>\$21.94</b>
Clearwater/North	3.16-Mil	806,870	25.5%	14,000	-10,420	-146,150	\$17.70
Bayside	1.44-Mil	242,570	16.8%	85,000	-20,420	-138,820	\$18.74
Gateway and Mid	5.26-Mil	1.02-Mil	19.4%	0	-28,680	-21,800	\$19.16
South	507,450	200,930	39.6%	0	-5,725	-37,800	\$16.78
St. Petersburg	2.05-Mil	479,860	23.4%	47,000	-2,050	-21,775	\$22.25
<b>Pinellas Total</b>	<b>12.43-Mil</b>	<b>2.75-Mil</b>	<b>22.2%</b>	<b>146,000</b>	<b>-67,295</b>	<b>-366,345</b>	<b>\$19.30</b>
Downtown	2.21-Mil	223,385	10.1%	0	-31,420	-21,280	\$23.94
I-75 Corridor	3.23-Mil	556,520	17.2%	52,750	2,225	89,060	\$19.31
Suburban/Venice	2.05-Mil	288,420	14.1%	0	-910	6,900	\$16.21
<b>Sarasota Total</b>	<b>7.48-Mil</b>	<b>1.07-Mil</b>	<b>14.3%</b>	<b>52,750</b>	<b>-30,105</b>	<b>74,680</b>	<b>\$19.94</b>
Manatee	2.78-Mil	417,090	15.2%	84,675	-35,260	80,460	\$17.23
Pasco	1.31-Mil	417,295	31.8%	0	43,670	81,520	\$16.76
Polk	1.96-Mil	386,220	19.7%	140,000	4,330	80,050	\$15.19
<b>REGION</b>	<b>56.8-Mil</b>	<b>9.61-Mil</b>	<b>16.9%</b>	<b>1.8-Mil</b>	<b>-217,780</b>	<b>118,825</b>	<b>\$20.55</b>

Hillsborough, the largest office market, has a current supply that would take 27 years to fill up, based on vacancies of 4.57-million square feet and the current 12-month volume of 168,460 square feet. In Hillsborough, asking rents have softened at several locations. Free rent is being offered as well in some offices. Westshore specifically saw its biggest quarterly loss with four buildings reporting move-outs totaling 20,000 square feet or more. Activity elsewhere was flat.

In conclusion, the subject's office market (Hillsborough County) maintains a vacancy rate slightly below that of the Tampa Bay Region. The county has the highest rental rate of the region. The county's absorption is currently at 168,460 with five of the six submarkets experiencing negative 12 month absorption. The subject's submarket (I-75 Parkway), however, did experience positive 12 month absorption of 316,020 square feet.