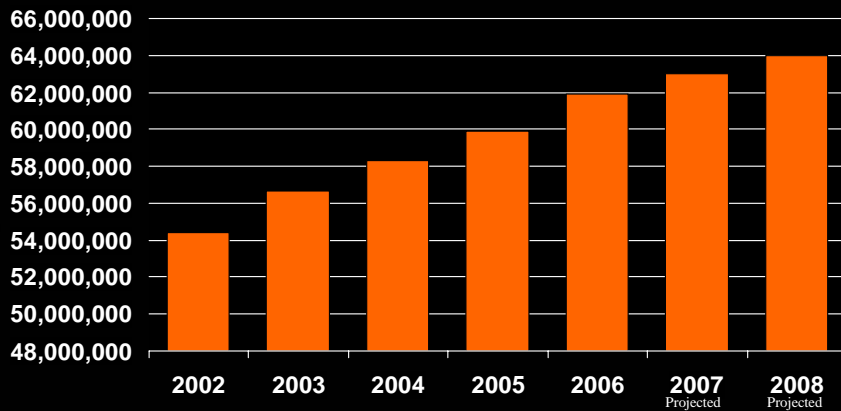


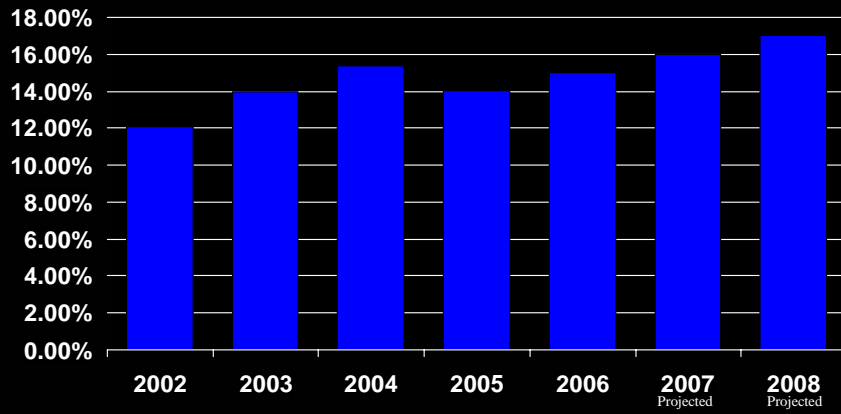
# ULI Emerging Trends 2008

## *Sacramento Office Market*

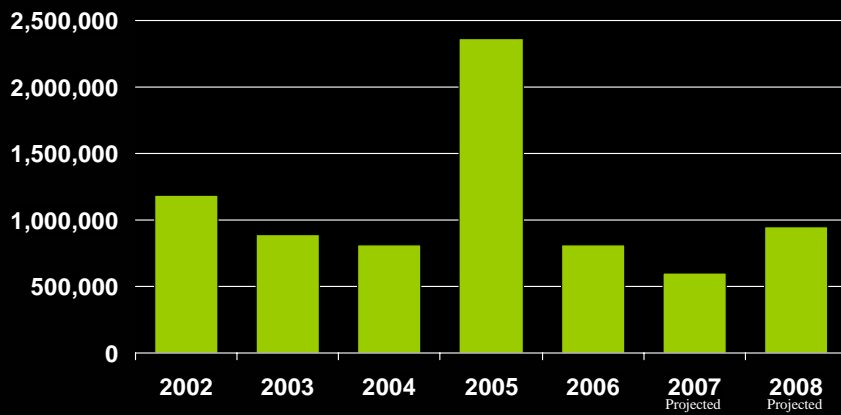
Sacramento Office Market  
Market Size



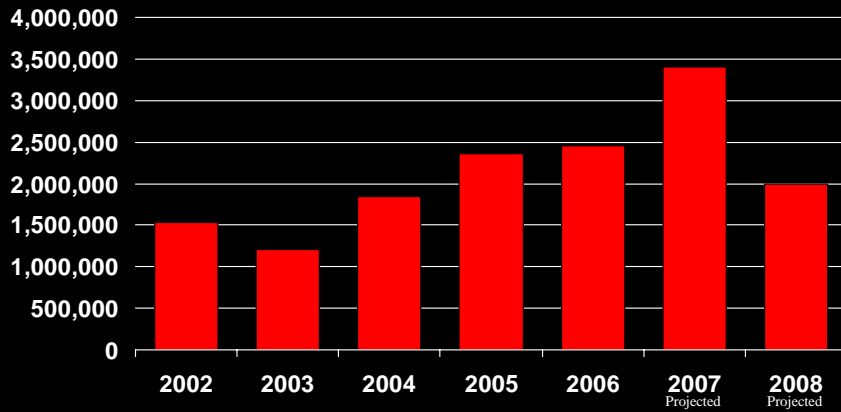
### Sacramento Office Market Vacancy Rate



### Sacramento Office Market Net Absorption



### Sacramento Office Market Under Construction



### Sacramento Submarkets in 2008

#### What's Hot?

Nothing!

#### What's Warm?

South Natomas

Highway 50

Downtown "A" but Nervous

Midtown

Green Buildings

#### What's Not?

Elk Grove

Rocklin

Roseville

Point West

## Trends for 2008

- ❑ Fewer sales (users & investors)
- ❑ Leasing will remain slow, especially in the private sector
- ❑ State of California, healthcare & legal/lobbyists will continue to be the most active users.
- ❑ Stabilized lease rates
- ❑ Increasing vacancy but less new construction
- ❑ Activity level will be a “5” on a scale of 1 to10