

OFFICE REPORT

Clark County | March 2010

SUMMARY | TOTALS



Seven straight months of vacancy declines have had a positive effect on the market. We are still seeing that most of the deals being done are on second generation spaces with a good, efficient buildout. In some submarkets, finding ideal second generation space for a tenant can be a little challenging with limited options. With that said, if a space is out there in the market that works for a tenant, attractive business points are still being offered and the tenant is still in control.

Moving forward I anticipate the vacancy rate to hang just under 18% through the summer and into the fall. Much of the momentum we have seen in the past five months seems to be dissipating to a degree. I anticipate some stagnation in the market and less tenants doing much of anything in the months ahead. Potential startups from the high unemployment rate and transplants from Oregon and elsewhere could have a positive effect on the market reducing the vacancy rate further.

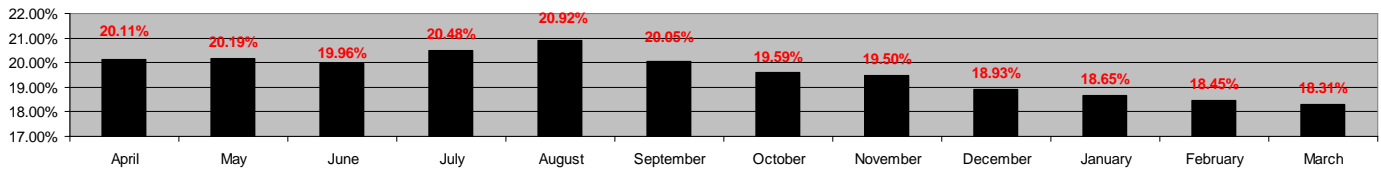
Total Class A & B Leasable Office Space (sq. ft.)	5,341,192
Total Available Class A & B Office Space (sq. ft.)	977,832
Clark County Class A & B Vacancy Rate	18.31%
Average Vacant Class A & B Rental Rate <i>(Adjusted Annual Full Service Basis)</i>	\$20.61
Month Over Month Net Absorption (sq. ft.)	7,764
Year Over Year Net Absorption (sq. ft.)	73,450

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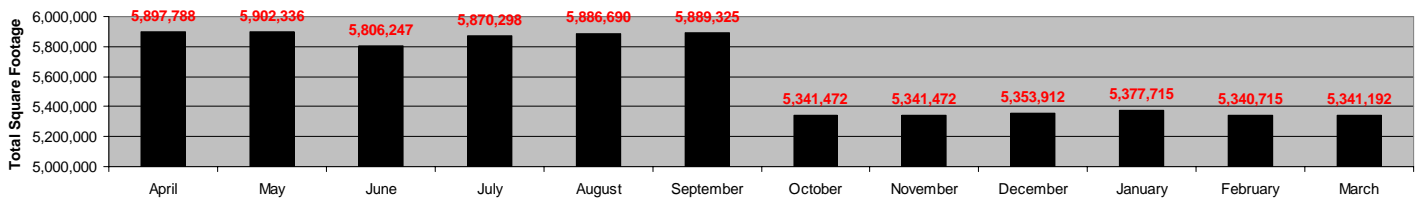
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HIGHLIGHTS | TOTALS

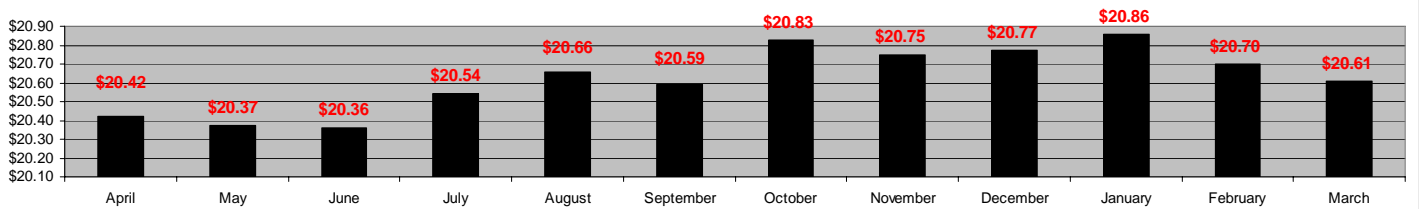
Clark County Class A & B Vacancy Rates



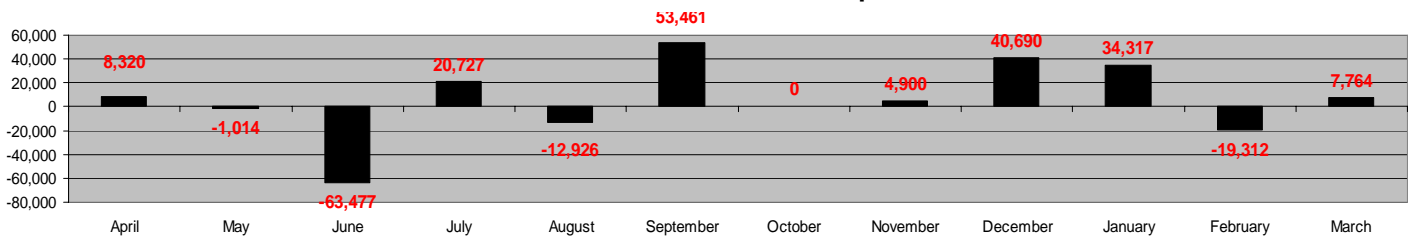
Clark County Class A & B Office Space



Clark County Class A & B Rental Rates



Month Over Month Net Absorption



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RECENT TRANSACTIONS

January 2010

Stewart Title	Lease	1,430	Vancouver CBD	Office	CB
Vancouver Boxing Club	Lease	1,200	Central Vancouver	Industrial	CB
International Air Academy	Expansion	5,500	Central Vancouver	Office	CB / NBS
Sacagawea, Inc	Downsize	7,765	Vancouver Mall	Office	CB / NBS
Safetec Compliance Systems	Lease	6,914	Vancouver Mall	Office	NBS / Hume Myers
Kazoodles Toy Store	Lease	2,200	Cascade Park / EV	Retail	EF-Inc
Woo-Jung Construction	Lease	1,860	Hazel Dell / Salmon Creek	Retail	NBS / 503 Real Estate
Aflac Insurance	Lease	2,310	Vancouver Mall	Office	CB
LeAnn Dodge Ins dba. State Farm	Lease	1,300	Orchards / Battle Ground	Office	EF-Inc
Richard and Myong Lee	Purchase	5,420	Hazel Dell / Salmon Creek	Retail	EF-Inc
SW WA Center of the Deaf	Purchase	2,600	Central Vancouver	Office	EF-Inc
Adair Homes	Lease	6,030	Cascade Park / EV	Office	EF-Inc

February 2010

Debbie Gardner Insurance	Expansion	2,640	Orchards / Battle Ground	Retail	EF-Inc
Mid Pacific Transportation	Renewal	2,045	Orchards / Battle Ground	Office	EF-Inc
Pulse Engineering	Renewal	30,000	Orchards / Battle Ground	Industrial	Melvin Mark / GVA
BG Sporting Goods and Trophies	Lease	1,685	Orchards / Battle Ground	Retail	CB
HTG and Kermit Macaulay	Lease	1,800	Central Vancouver	Office	CB
WA State Liquor Control Board	Lease	5,557	Central Vancouver	Retail	EF-Inc
Expect Payment Solutions	Expansion	3,752	Orchards / Battle Ground	Office	EF-Inc
Merlin Pointe Technologies	Renewal	3,543	Orchards / Battle Ground	Industrial	EF-Inc
Herbar, Inc.	Renewal	2,268	Orchards / Battle Ground	Industrial	EF-Inc
Balance Studios, LLC	Lease	2,270	Cascade Park / EV	Retail	NBS / HSM
WA State Dept of Transportation	Renewal	4,999	Vancouver CBD	Office	NBS
Mike Pattullo & Thomas Drinkwater	Lease	1,312	Cascade Park / EV	Office	NBS
Old Friends Custom Finishing	Lease	2,000	Orchards / Battle Ground	Industrial	NBS

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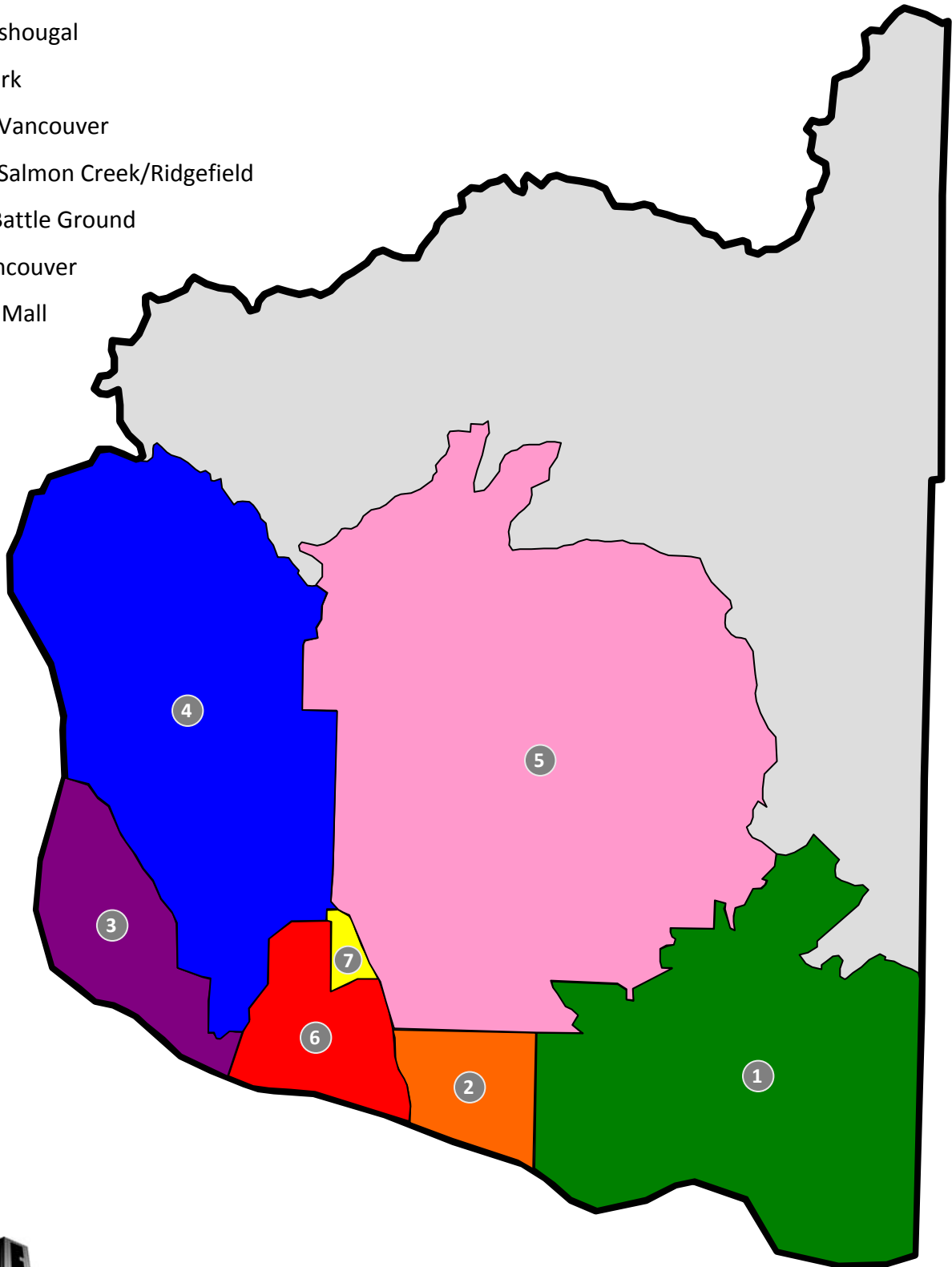
Wade Burbank & Blake Crofts	Lease	1,330	Orchards / Battle Ground	Retail	EF-Inc / KW Commercial
Duy and Tam Phan	Lease	985	Woodland	Retail	EF-Inc
Heidi Hahn-Tran & Michael Troxler	Purchase	2,000	Cascade Park / EV	Office	EF-Inc / NBS
Serenity Lane	Lease	1,400	Vancouver Mall	Office	EF-Inc
Steve Edwards	Lease	894	Cascade Park / EV	Office	EF-Inc
CTC Properties	Purchase	18,166	Cascade Park / EV	Office	CB
LEED Corp	Renewal	1,898	Orchards / Battle Ground	Industrial	EF-Inc
Madden Industrial Craftsmen	Renewal	2,400	Orchards / Battle Ground	Office	EF-Inc / Apex RE
Rajeff Sports	Lease	4,086	Hazel Dell / Salmon Creek	Industrial	CB
RipZu Skateboard Park	Lease	6,917	Hazel Dell / Salmon Creek	Industrial	CB
Sound Mortgage	Lease	5,184	Vancouver Mall	Office	CBRE
Stardust Materials	Expansion	5,171	Orchards / Battle Ground	Industrial	EF-Inc
Vancouver Freezing Point, LLC	Lease	1,200	Central Vancouver	Industrial	CB
Bank of America	Renewal	14,099	Vancouver CBD	Office	GVA
Crossfit Camas	Lease	2,600	Cascade Park / EV	Retail	EF-Inc
Vancouver Chiropractic	Lease	2,150	Vancouver CBD	Office	GVA / KW Commercial
Micro Machining	Lease	12,000	Camas / Washougal	Industrial	EF-Inc
Over the Top - Teriyaki, BBQ & More	Lease	1,800	Camas / Washougal	Retail	EF-Inc / CRA

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OFFICE SUBMARKETS MAP

1. Camas/Washougal
2. Cascade Park
3. CBD/West Vancouver
4. Hazel Dell/Salmon Creek/Ridgefield
5. Orchards/Battle Ground
6. Central Vancouver
7. Vancouver Mall



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CAMAS | WASHOUGAL SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
1150 S 35th St	5,000			
3695 Truman Rd	5,277	5,277	100%	\$17.00
82 15th St	5,656			
15th St @ A St	5,696			
1540 B St	6,000			
531 NE Everett St	6,000			
3400 SE 196th St	8,000			
700 NE Fourth Ave	19,761	5,000	25%	\$18.00
4900 NW Camas Meadows Dr	19,943			
4845 NW Camas Meadows Dr	27,820			
4800 NW Camas Meadows Dr	35,454			
4600 NW Camas Meadows Dr	40,701			
	185,308	10,277	5.5%	\$17.50

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CASCADE PARK SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
19301 SE 34th St	5,000			
17010 NE 9th St	6,000			
11820 NE Crestwood St	6,200	6,200	100%	\$19.50
234 SE 136th Ave	7,300	1,665	23%	\$23.00
519 SE 116th Ave	7,382			
16820 SE McGillivray Blvd	7,500	2,000	27%	\$22.00
15520 SE Mill Plain Blvd	7,740			
2415 SE 165th Ave	10,000	2,461	25%	\$18.00
11101-11109 NE 14th St	12,000			
217 SE 136th Ave	12,000			
12204 SE Mill Plain Blvd	12,000	2,320	19%	\$19.00
16219 SE 12th St	13,660	2,997	22%	\$21.00
16508 SE 24th St	14,000	2,001	14%	\$20.00
417 SE 164th Ave	15,525	10,215	66%	\$21.00
1406 SE 164th Ave	17,085	5,602	33%	\$21.00
615 SE Chkalov Dr	18,073	1,774	10%	\$22.50
14300 SE First St	18,166	9,000	50%	\$15.50
17700 SE Mill Plain Blvd	21,353			
16821 SE McGillivray Blvd	22,500			
3250 SE 164th Ave	23,000	8,370	36%	\$21.99
521 NE 136th Ave	24,000			
11201 NE 9th St	24,542	7,377	30%	\$21.00
16821 SE McGillivray Blvd	25,000	1,350	5%	\$23.00
1325 SE Tech Center Dr	25,520	1,019	4%	\$22.00
811 NE 112th Ave	27,122			
16701 SE McGillivray Blvd	29,682			
12503 SE Mill Plain Blvd	31,552	5,762	18%	\$21.00
19120 SE 34th St	32,356	3,291	10%	\$27.00
601 SE 117th Ave	38,571	16,453	43%	\$22.50
501 SE 172nd Ave	40,000			
13115 NE 4th St	40,000	2,445	6%	\$24.00
12500 SE Second Cir	42,326	16,858	40%	\$24.00
11818 SE Mill Plain Blvd	42,884	13,658	6%	\$21.00
521 SE Chkalov Dr	45,000			
16703 SE McGillivray Blvd	45,218	8,201	18%	\$19.00

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CASCADE PARK SUBMARKET | CONTINUED

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
17205 SE Mill Plain Blvd	50,000			
204 SE Stonemill Dr	51,908	17,183	33%	\$18.50
17200 SE Mill Plain Blvd	52,845	10,651	20%	\$22.00
120 NE 136th Ave	53,515			
201 NE Park Plaza Dr	55,000	12,399	23%	\$24.00
312 SE Stonemill Dr	64,603	6,211	10%	\$18.50
222 NE Park Plaza Dr	68,230	24,315	36%	\$22.48
201 NE Park Plaza Dr	71,000	7,277	10%	\$18.99
1498 SE Tech Center Pl	71,010	13,325	19%	\$21.00
1499 SE Tech Center Pl	71,365	51,319	72%	\$19.90
203 SE Park Plaza Dr	73,000	13,977	19%	\$24.00
	1,452,733	287,676	19.8%	\$21.24

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CENTRAL BUSINESS DISTRICT | WEST VANCOUVER

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
310 W 11th St	5,020	850	17%	\$5.73
601-611 16th St	5,300			
314 W 15th St	7,000	7,000	100%	\$22.00
1801 D St	7,906	1,600	20%	\$20.00
1013 Franklin St	7,920			
210 W 4th St	8,000			
315 W Mill Plain Blvd	8,887	924	10%	\$25.25
303 E 16th St	9,270			
400-404 E 13th St	10,000			
2101-2107 C St	10,000			
1400 Columbia St	10,410	3,869	37%	\$18.50
1706 D St	14,000			
801 Main St	14,816			
1409 Franklin St	14,817	1,640	11%	\$19.04
300 W 15th St	16,392	16,392	100%	\$22.00
404 E 15th St	16,500	9,093	55%	\$16.88
710 W 13th St	17,853			
1408 Franklin St	17,972			
1610 C St	18,318	9,634	53%	\$16.83
601 W Evergreen Blvd	22,002			
1313 Main St	23,383			
916 Main St	26,627	4,467	17%	\$21.00
101 E 8th St	26,930	3,454	13%	\$13.50
2500 Main St	30,000	1,529	5%	\$23.04
3305 Main St	33,948	13,767	41%	\$14.57
911 Main St	38,634			
1104 Main St	39,713	7,925	20%	\$19.56
500 W Eighth St	39,763	5,670	14%	\$18.00
915 Broadway St	40,000			
611 W Evergreen Blvd	42,973	8,200	19%	\$18.00
703 Broadway St	51,358	7,970	16%	\$21.00
400 E Mill Plain Blvd	60,833	23,397	38%	\$26.00
1220-1260 Main St	62,388	4,880	8%	\$22.50
500 Broadway St	70,353	6,157	9%	\$25.50
900 Washington St	71,000			
1111 Main St	87,984	5,905	7%	\$23.50
700 Washington St	108,248	25,056	23%	\$23.99
415-515 W 6th St	114,823	86,566	75%	\$28.00
805 Broadway St	202,975	41,839	21%	\$22.65
	1,414,316	297,784	21.1%	\$20.29

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HAZEL DELL | SALMON CREEK | RIDGEFIELD SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
14201 NE 20th Ave	7,800			
7409 NE Hazel Dell Ave	8,000	8,000	100%	\$20.00
2515 NE 134th St	8,524	4,262	50%	\$26.00
2205 NE 129th St	8,960			
1200 NE 99th St	10,000			
8515 NE Hazel Dell Ave	10,000			
8411 NE Highway 99	10,000			
9901 NE 7th Ave	10,730	6,430	60%	\$18.00
9901 NE 7th Ave	11,300			
2105 NE 129th St	11,400			
2103 NE 129th St	11,400	5,207	46%	\$16.00
9901 NE 7th Ave	11,532			
1404 NE 134th St	12,000			
14208 NW Third Ct	13,000	1,038	8%	\$19.70
2101 NE 129th St	13,100			
7223 NE Hazel Dell Ave	13,589			
10002 NE 13th St	14,500	5,142	35%	\$24.00
13317 NE 12th Ave	14,549	4,634	32%	\$26.00
9901 NE 7th Ave	14,572			
7414 NE Hazel Dell Ave	15,000			
2 S 56th Pl	17,475	5,008	29%	\$25.50
7604 NE Hazel Dell Ave	18,000			
9105 Highway 99	20,000			
9103 Highway 99	21,000			
2205 NE 129th St	21,000			
14508 NE 20th Ave	22,500	2,896	13%	\$23.50
201 NE 73rd St	24,000	5,233	22%	\$12.00
14201 NE 20th Ave	24,734	8,300	34%	\$22.00
2501 NE 134th St	27,786			
2415 NE 134th St	31,000	5,012	16%	\$24.50
2621 NE 134th St	32,123	15,440	48%	\$27.36
2417-2525 NE 139th St	45,664			
1308 NE 134th St	55,010			
10000 NE Seventh Ave	60,000	23,742	40%	\$20.57
	650,248	100,344	15.4%	\$21.80

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ORCHARDS | BATTLE GROUND SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
3400 SE 196th St	5,500			
15 SW 20th Ave	6,442			
105 W Main St	6,450	1,400	22%	\$21.76
1910 SW 9th Ave	7,568			
11802 NE 65th St	7,729	3,329	43%	\$17.97
12518 NE 95th St	8,632			
118 S Parkway Ave	9,169	5,580	61%	\$18.50
5411 NE 107th Ave	9,350	9,350	100%	\$16.00
1710 W Main St	13,194			
13400 NE 20th St	14,745			
5500 NE 109th Ct	15,922	4,500	28%	\$19.00
11805 NE 99th St	17,520	5,257	30%	\$20.00
11815 NE 99th St	18,744	3,236	17%	\$17.00
5501 NE 109th Ct	18,830	4,350	23%	\$18.50
11807 NE 99th St	19,696	14,816	75%	\$20.50
9115B NE 117th Ave	20,000			
9611 NE 117th Ave	24,160	6,660	28%	\$22.00
109 SW First St	31,110			
	254,761	58,478	23.0%	\$19.12

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CENTRAL VANCOUVER SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
8308 NE Mill Plain Blvd	5,000	914	18%	\$20.50
816 NE 87th Ave	5,906			
717 NE 61st St	6,100	1,750	29%	\$23.00
11015 NE Fourth Plain Rd	7,160			
2403 E Evergreen Blvd	7,335	3,101	42%	\$21.00
3312 E Fourth Plain Blvd	7,600	2,800	37%	\$17.00
9300 Oak View Dr	11,600	3,568	31%	\$18.95
7200 NE 41st St	16,017	4,733	30%	\$17.00
6615 E 4th Plain Blvd	17,000	6,000	35%	\$20.50
2001 SE Columbia River Dr	20,000	9,400	47%	\$30.00
5305 E 18th St	21,810	2,650	12%	\$22.67
5300 MacArthur Blvd	22,500	22,492	100%	\$17.00
200 Grand Blvd	22,600			
8614 NE Mill Plain Blvd	23,498	9,793	42%	\$20.00
2018 Grand Blvd	25,782			
1701 SE Columbia River Dr	26,000			
2211 E Mill Plain Blvd	32,011			
2700 NE Andresen Rd	36,782	11,066	30%	\$22.00
501 SE Columbia Shores Blvd	41,969	10,937	26%	\$22.00
5701-5721 SE Columbia Way	66,000			
5411 E Mill Plain Blvd	152,536	26,341	17%	\$18.00
	575,206	115,545	20.1%	\$20.69

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VANCOUVER MALL SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
9407 NE Vancouver Mall Dr	5,600			
5123 NE 94th Ave	6,184	2,288	37%	\$17.00
5131 NE 94th Ave	6,184	2,334	38%	\$17.00
9414-9430 NE Fourth Plain Blvd	10,080			
9300 NE Vancouver Mall Dr	12,135	10,363	85%	\$21.00
9310 NE Vancouver Mall Dr	15,000			
3925 NE 72nd Ave	15,154			
7720 NE Vancouver Mall Dr	15,232	9,069	60%	\$21.23
9330 NE Vancouver Mall Dr	15,250	3,104	20%	\$19.76
7710 NE Vancouver Mall Dr	15,697			
5101 NE 82nd Ave	18,960	1,200	6%	\$27.00
5101 NE 82nd Ave	18,960	6,202	33%	\$27.00
9320 NE Vancouver Mall Dr	20,000	3,500	18%	\$21.00
7700 NE Greenwood Dr	27,500			
7710 NE Greenwood Dr	27,500	5,768	21%	\$18.00
5101 NE 82nd Ave	28,500			
9120 NE Vancouver Mall Dr	32,504	5,778	18%	\$20.86
8000 NE Parkway Dr	47,810	6,421	13%	\$21.00
7700 NE Parkway Dr	50,762	18,576	37%	\$18.50
4601 NE 77th Ave	53,114	6,429	12%	\$22.00
8100 NE Parkway Dr	56,960			
4317 NE Thurston Way	57,463	21,724	38%	\$13.59
7600 NE 41st St	72,000			
7500 NE 41st St	84,198			
4400 NE 77th Ave	95,873	4,972	5%	\$24.00
	808,620	107,728	13.3%	\$20.60