



Office Markets Break from the Pack

Commercial Property Market Review

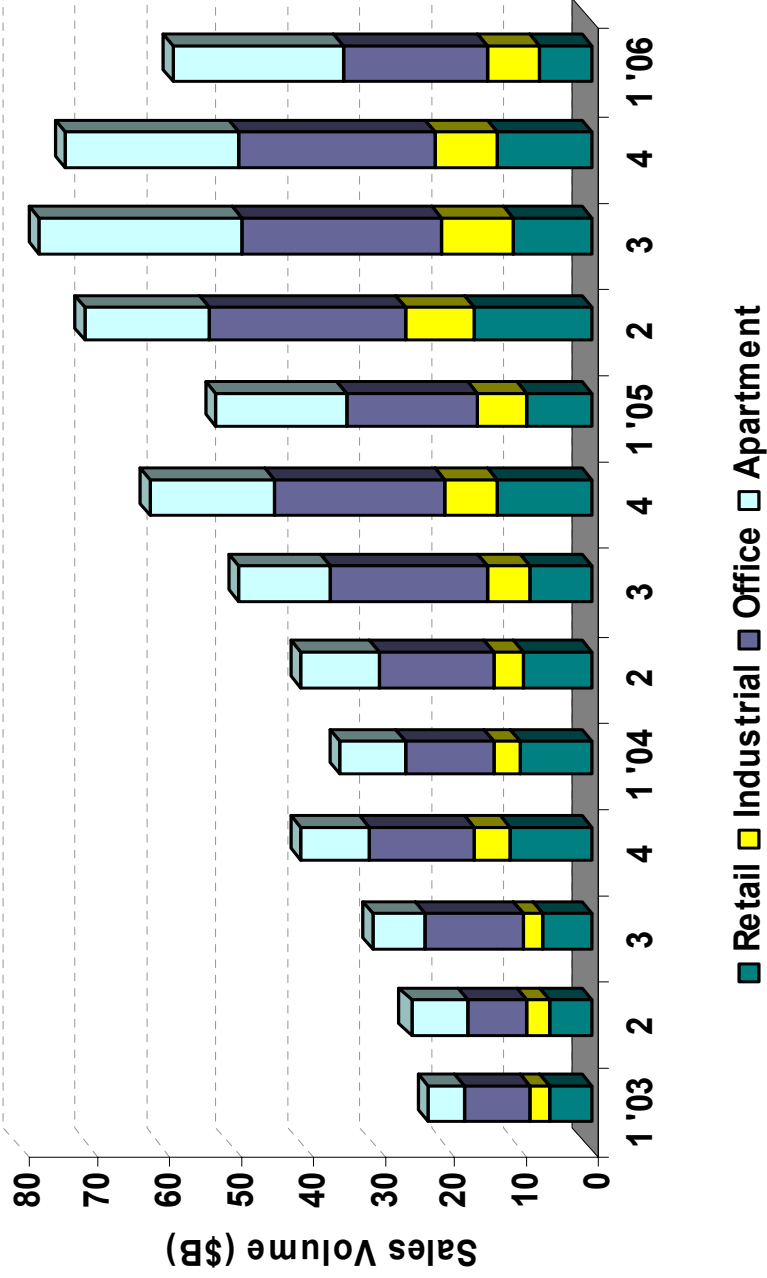
Presentation by
Coldwell Banker Commercial

&
Boxwood Means, Inc.
Randy Fuchs, Principal

June 8, 2006

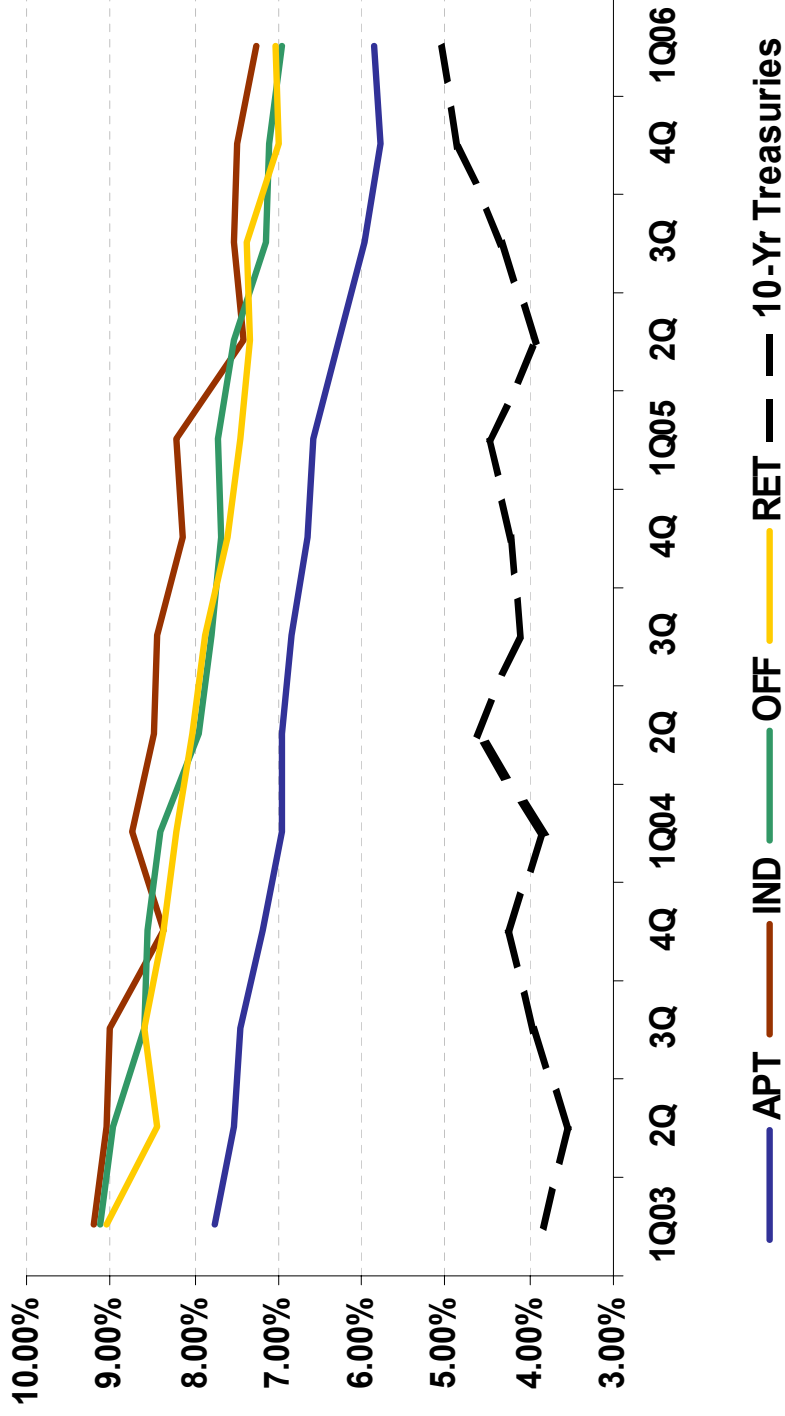


Capital Slowdown?



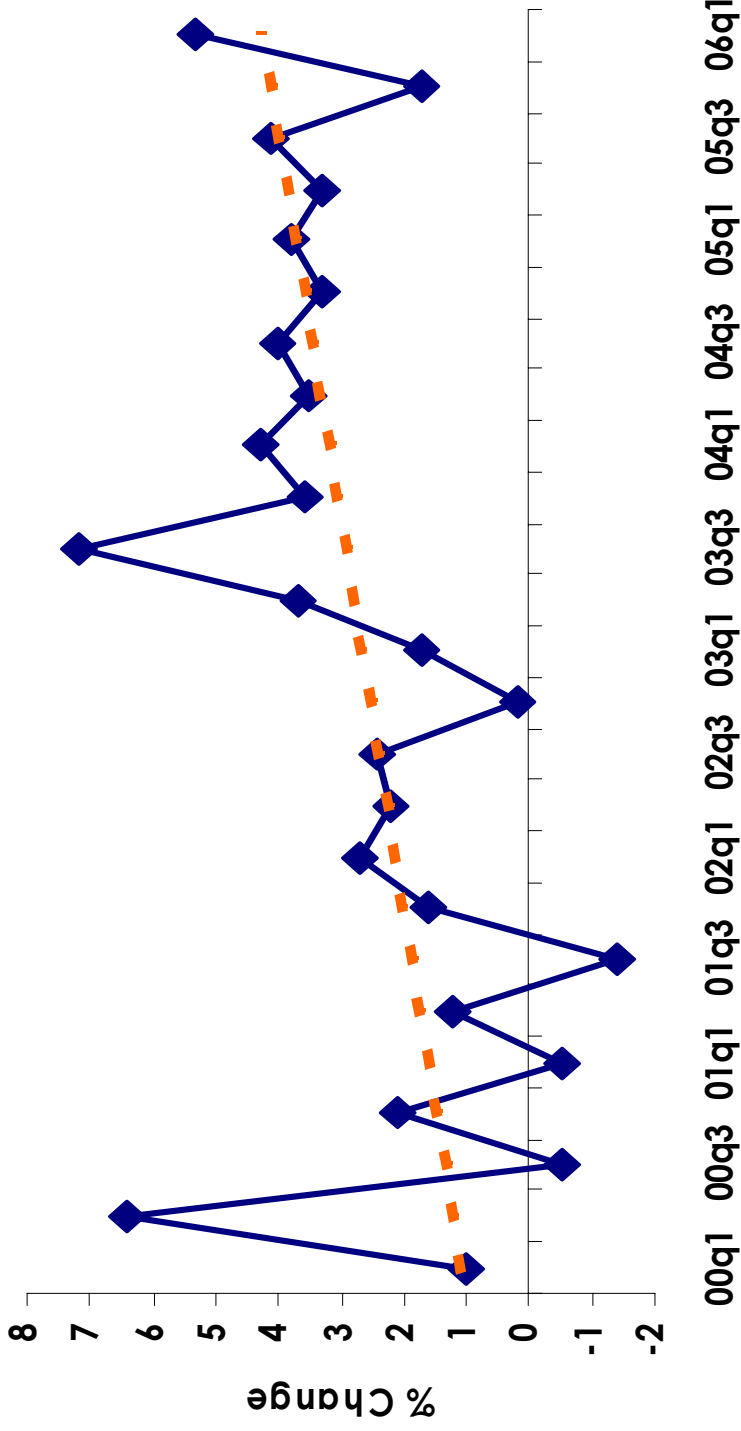
Source: RCA

Declining Yield Spread



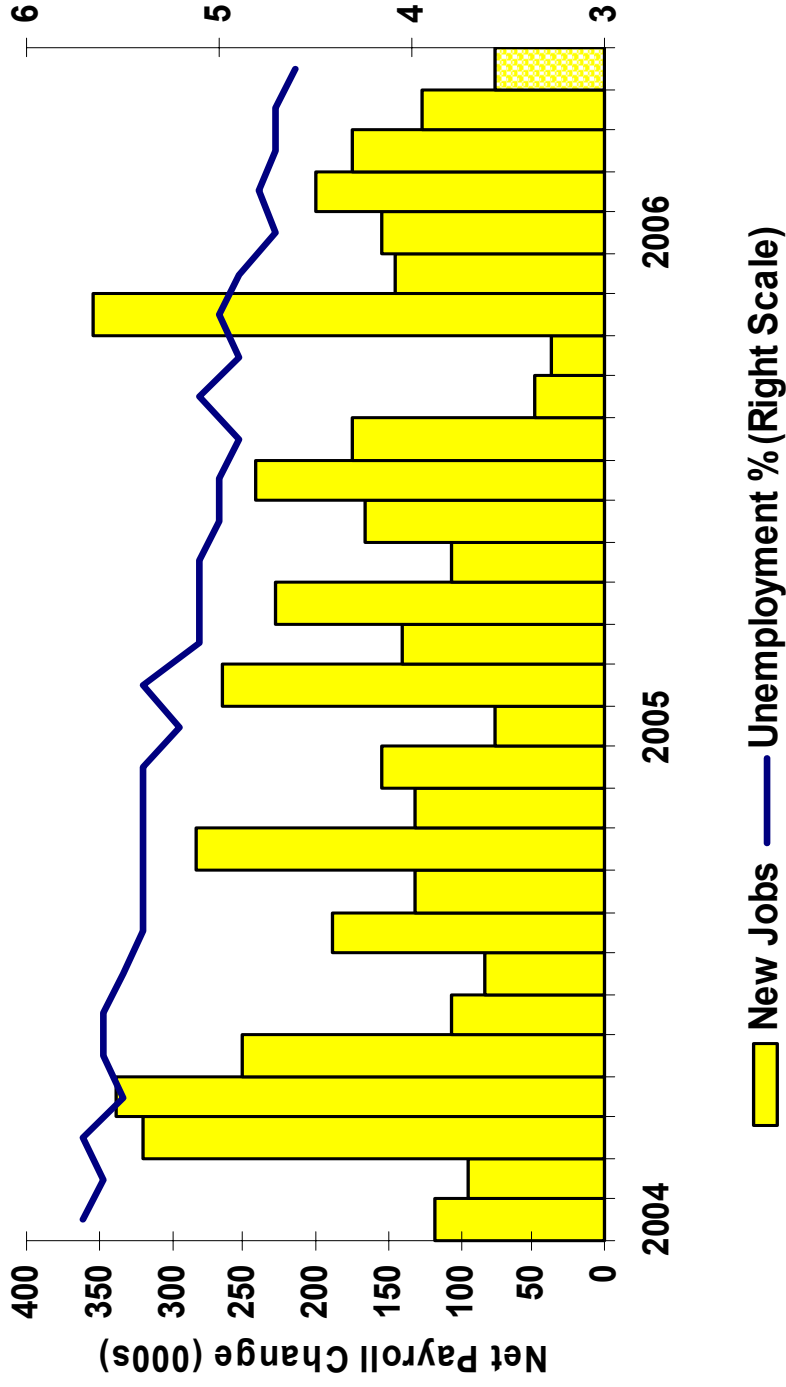
Source: RCA; Boxwood Means, Inc

Economic Growth Spurt



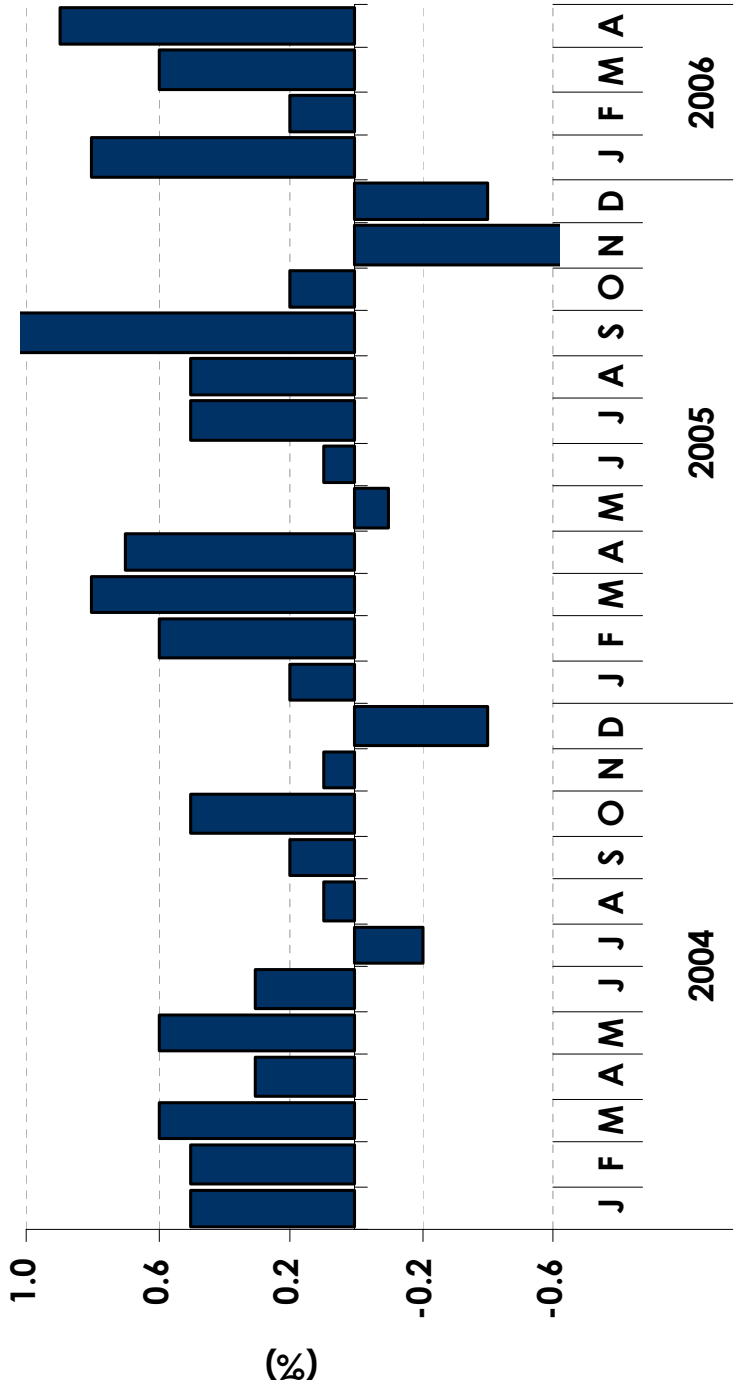
Source: BLS

Payrolls Dissappoint



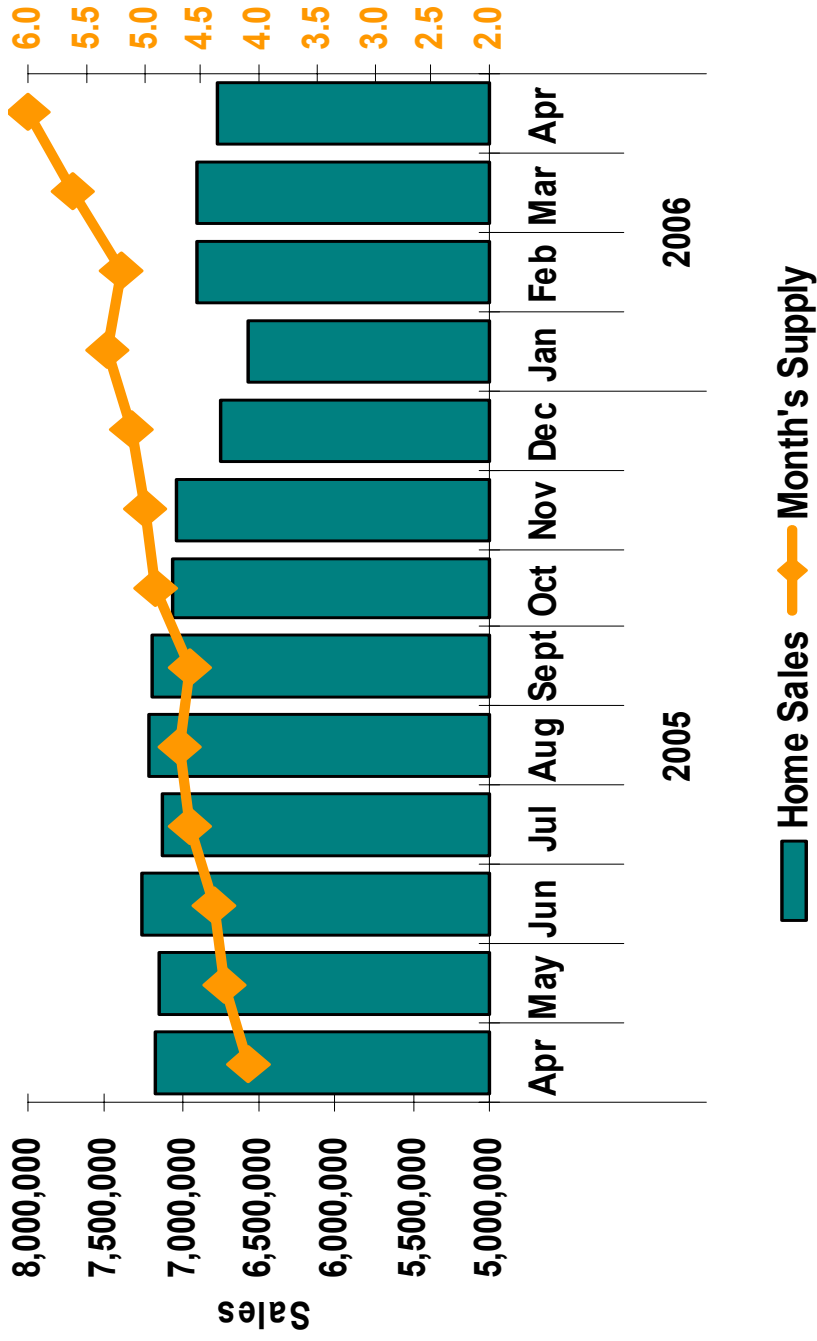
Source: BLS

Inflation Fears Rise



Source: BLS

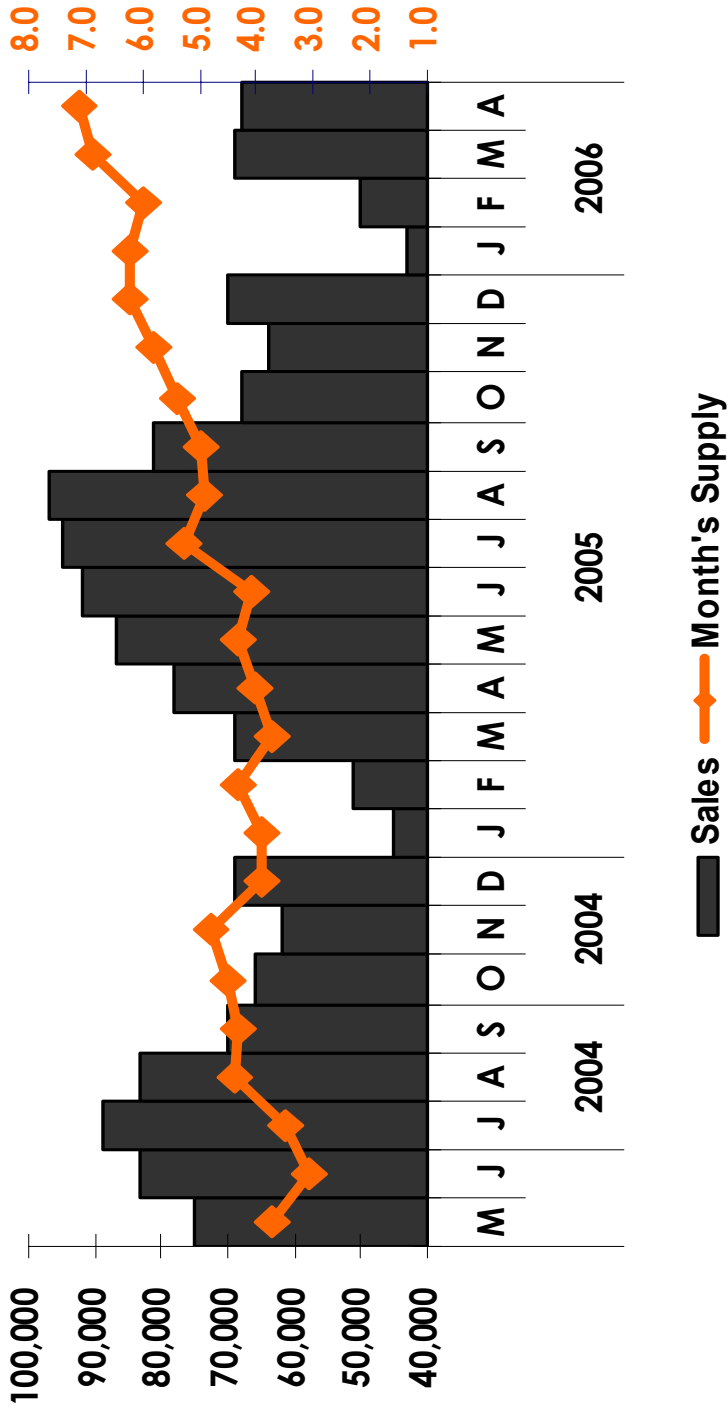
Housing Inventories Mout



Source: NAR; Boxwood Means, Inc.

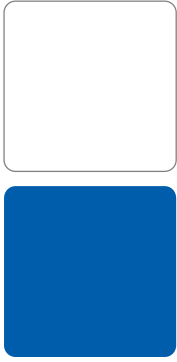


Condos A-Plenty



Source: NAR; Boxwood Means, Inc.

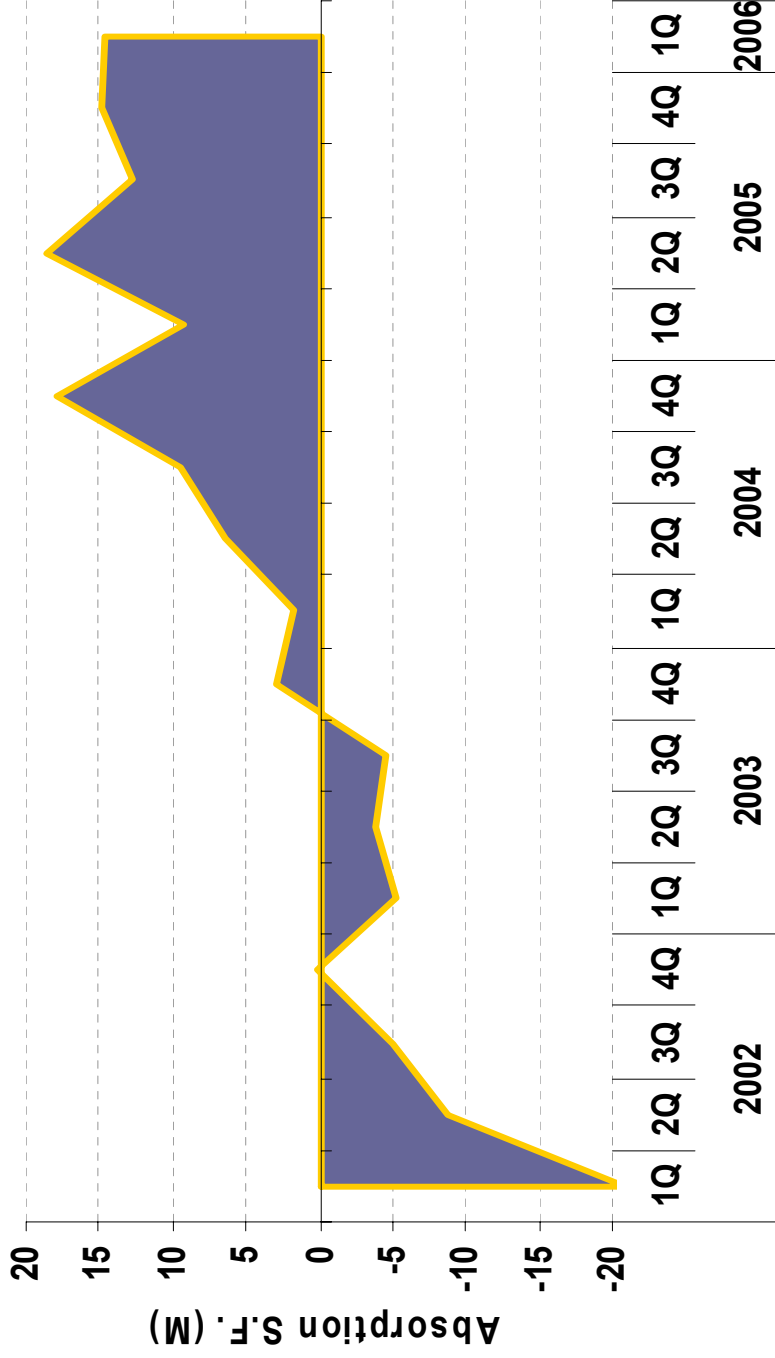




Whither Real Estate?



Office Lights Up



Source: Reis

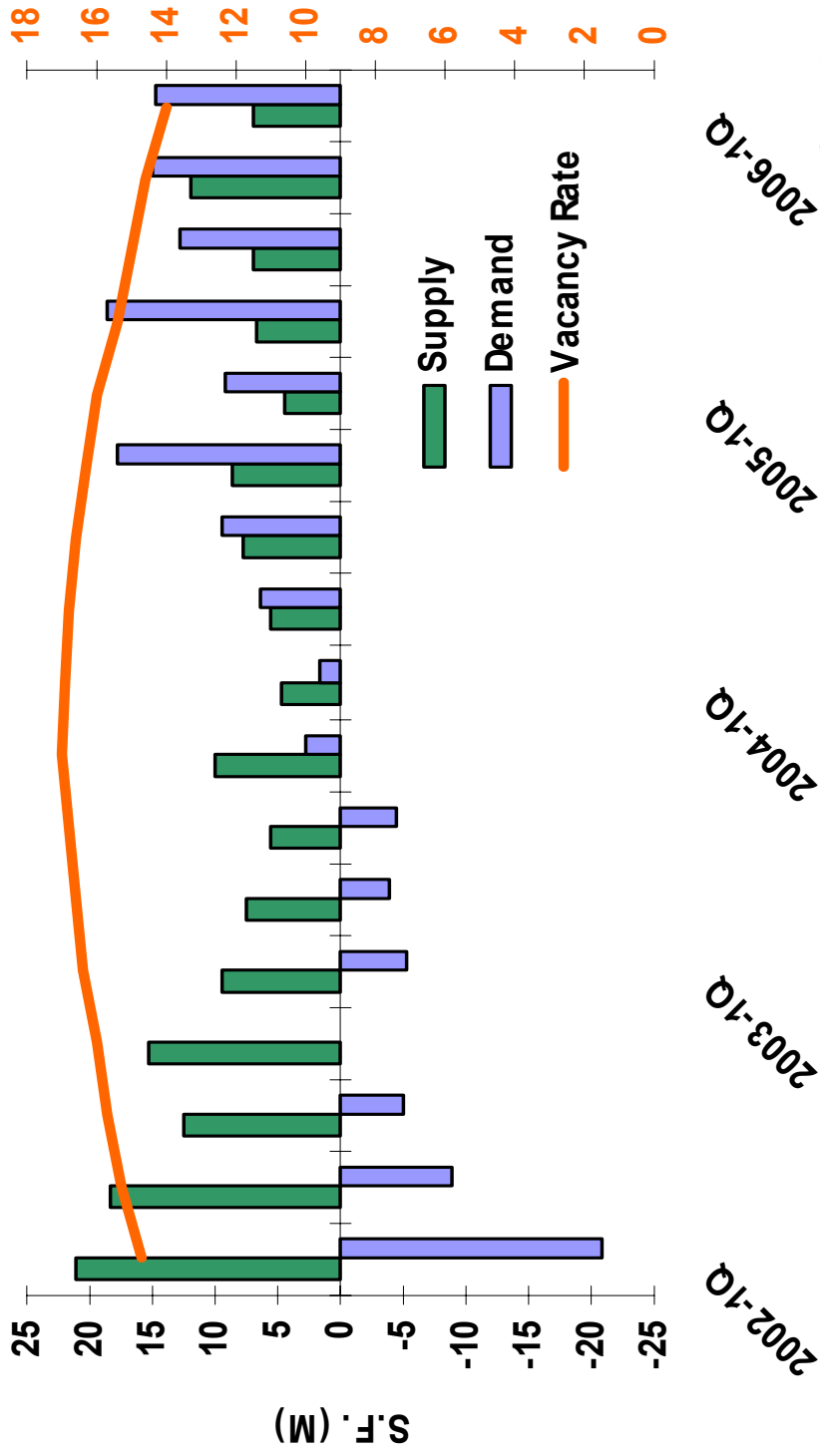
Tech Office Metros Rebound

Three-Year Vacancy Decline (bps)



Source: Reis; Boxwood Means, Inc.

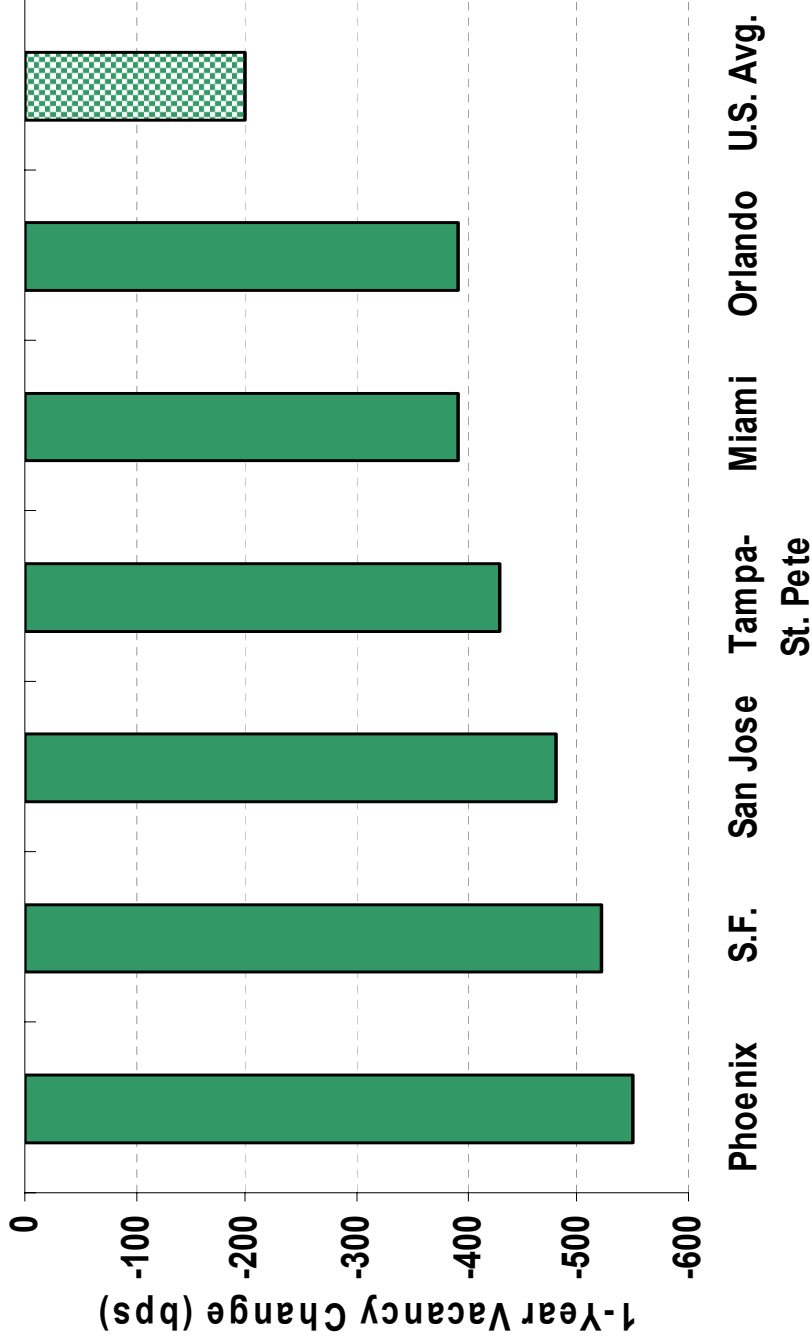
Office Turnaround



Source: Reis



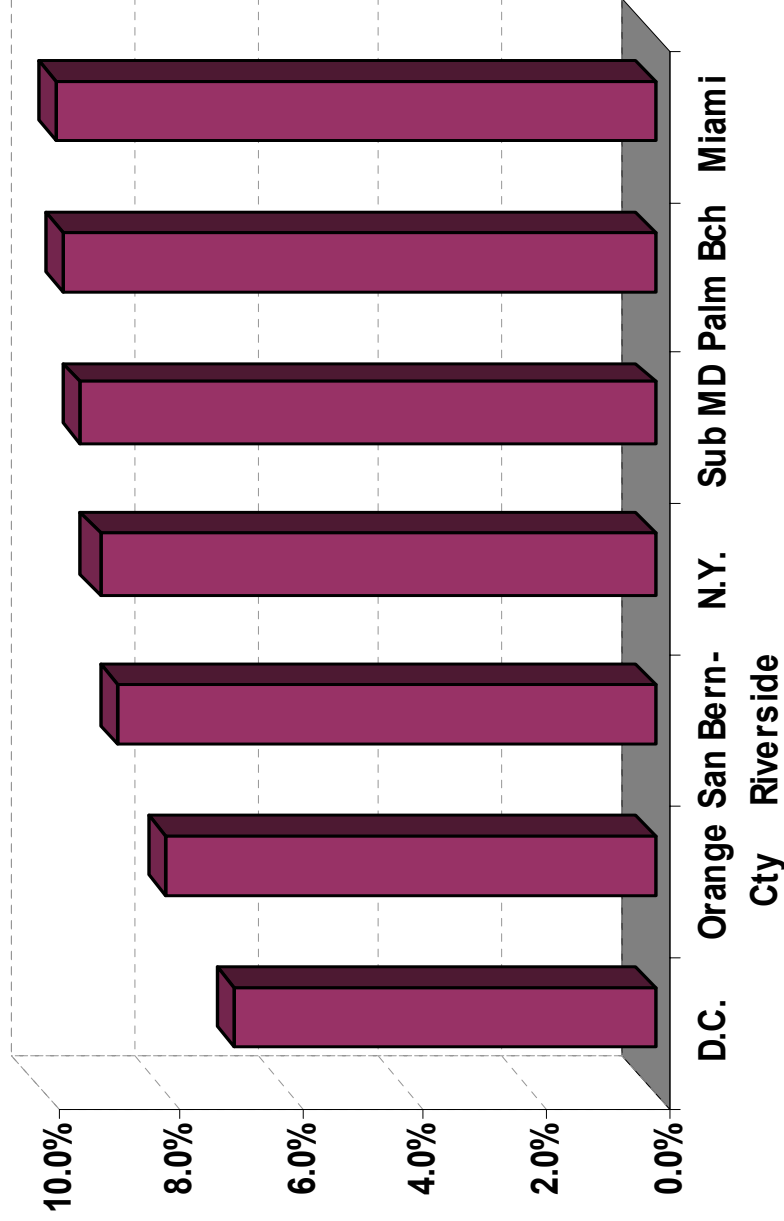
Leasing Havens



Source: Reis

Winners' Circle

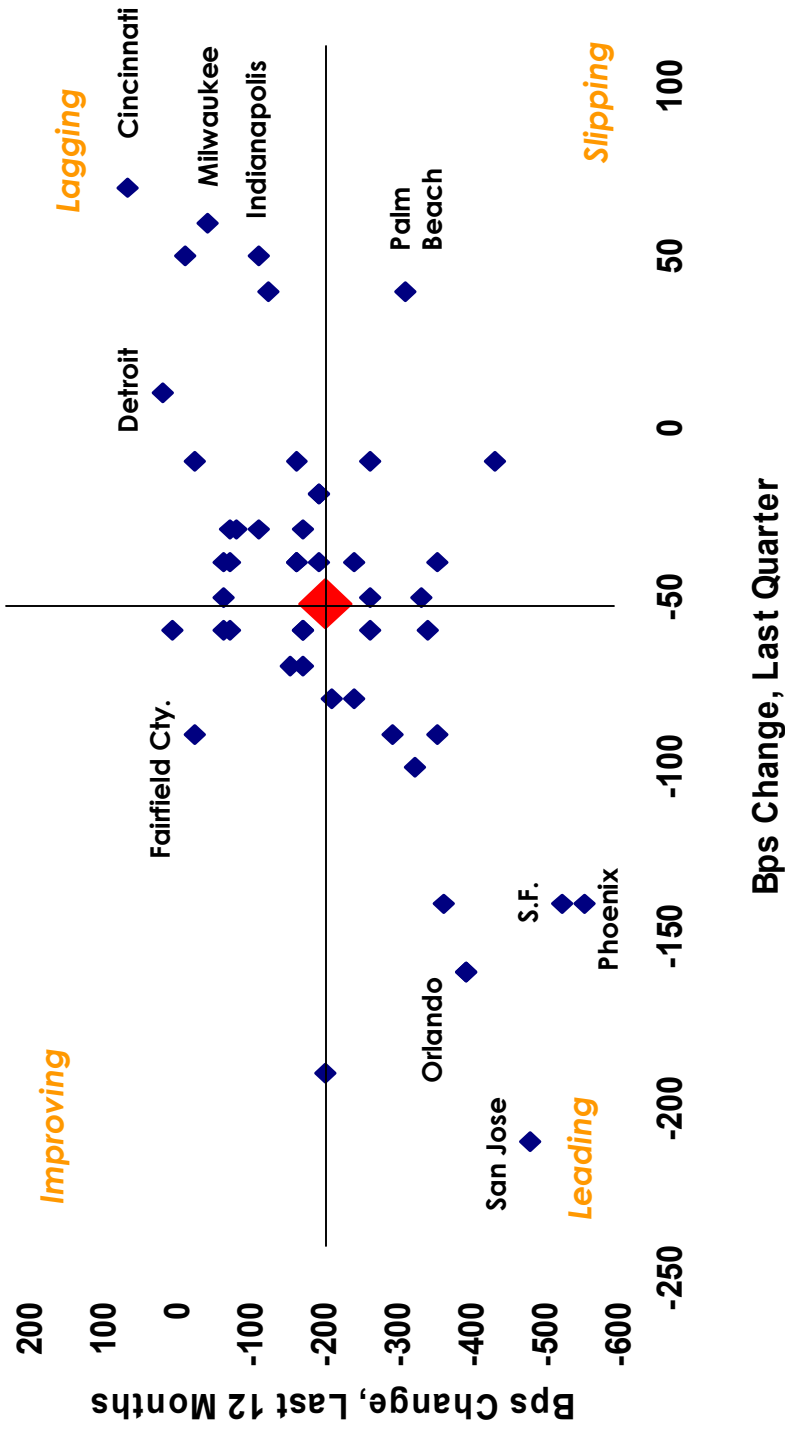
Sub-10% Vacancies



Source: Reis

Metro Office Performance

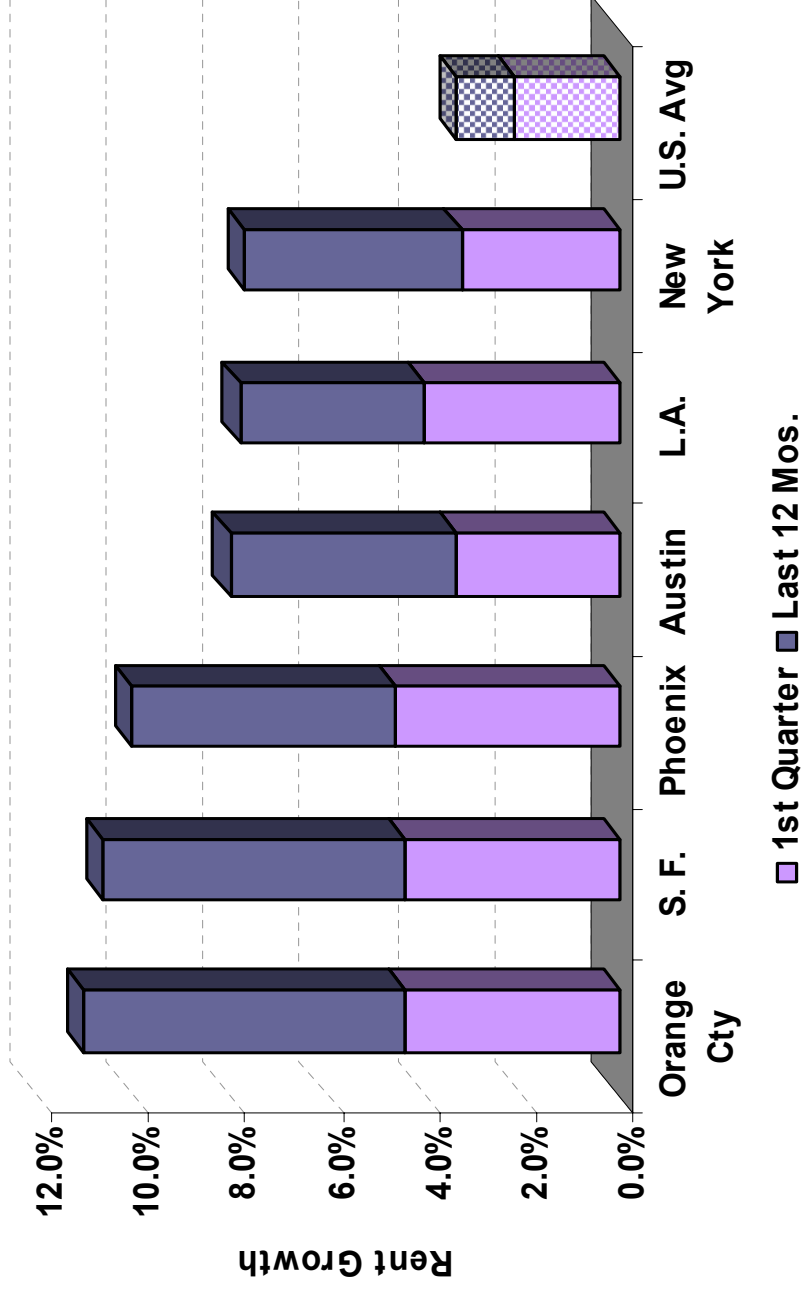
Quarter and One-Year Vacancy Decline



Source: Reis; Boxwood Means, Inc.

Knocking on Heaven's Door

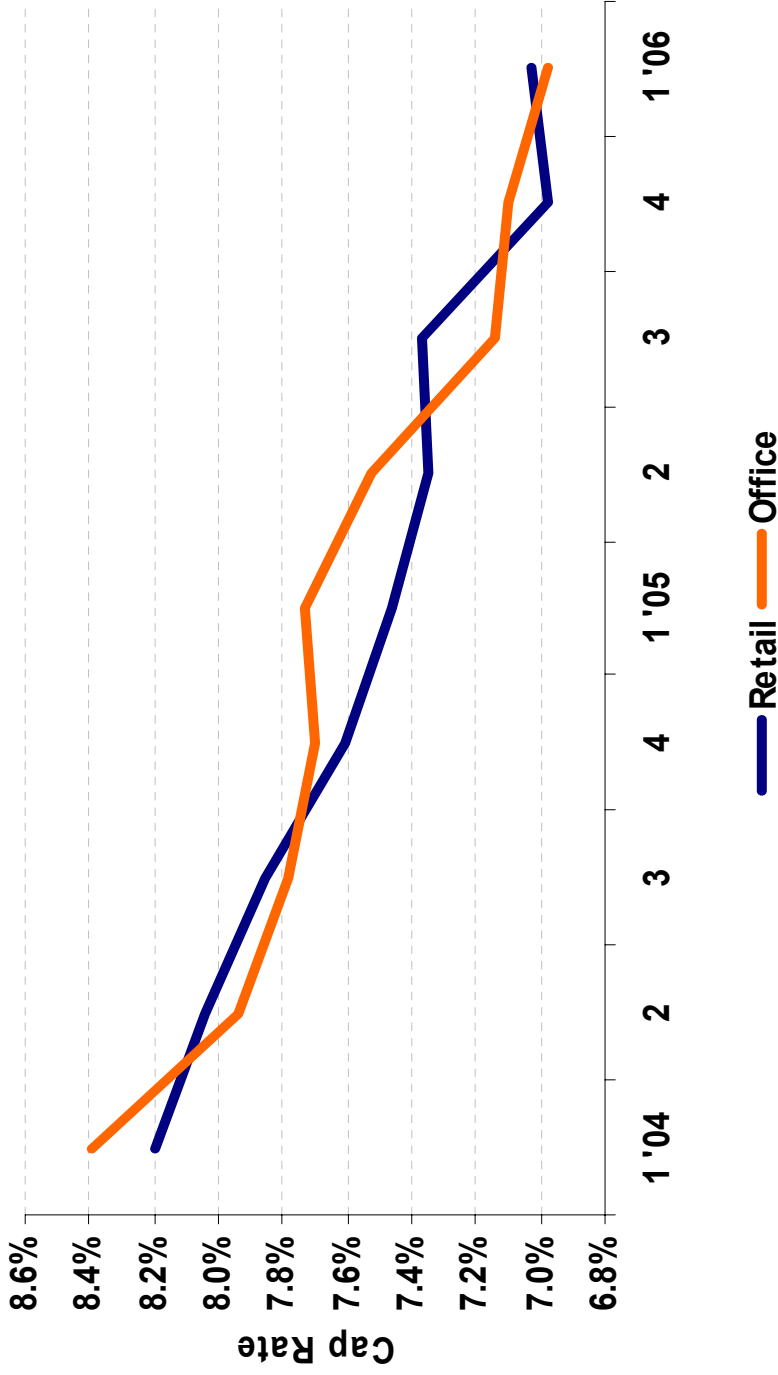
Rent Spikes



Source: Reis; Boxwood Means, Inc.

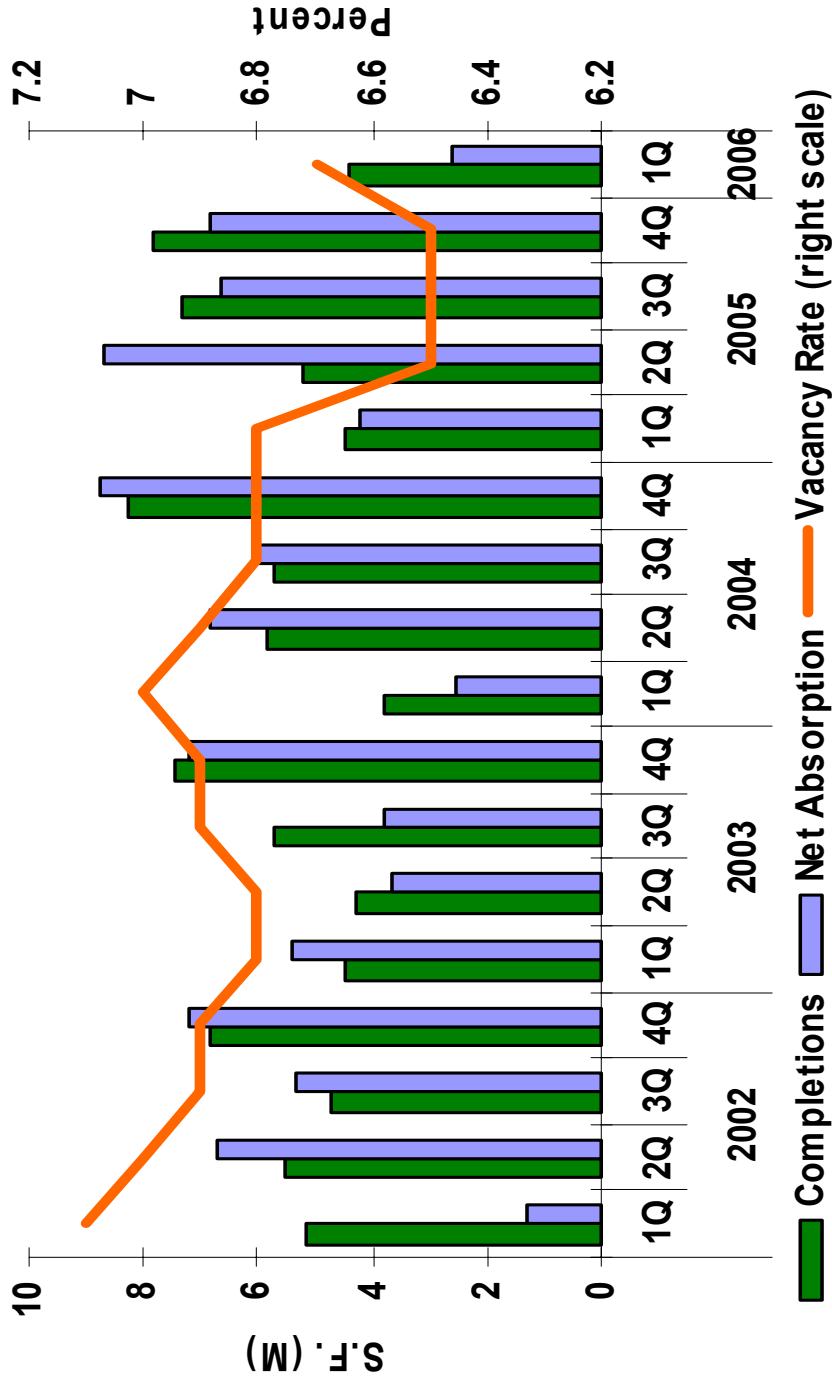


Retail Goes Out of Fashion?



Source: RCA

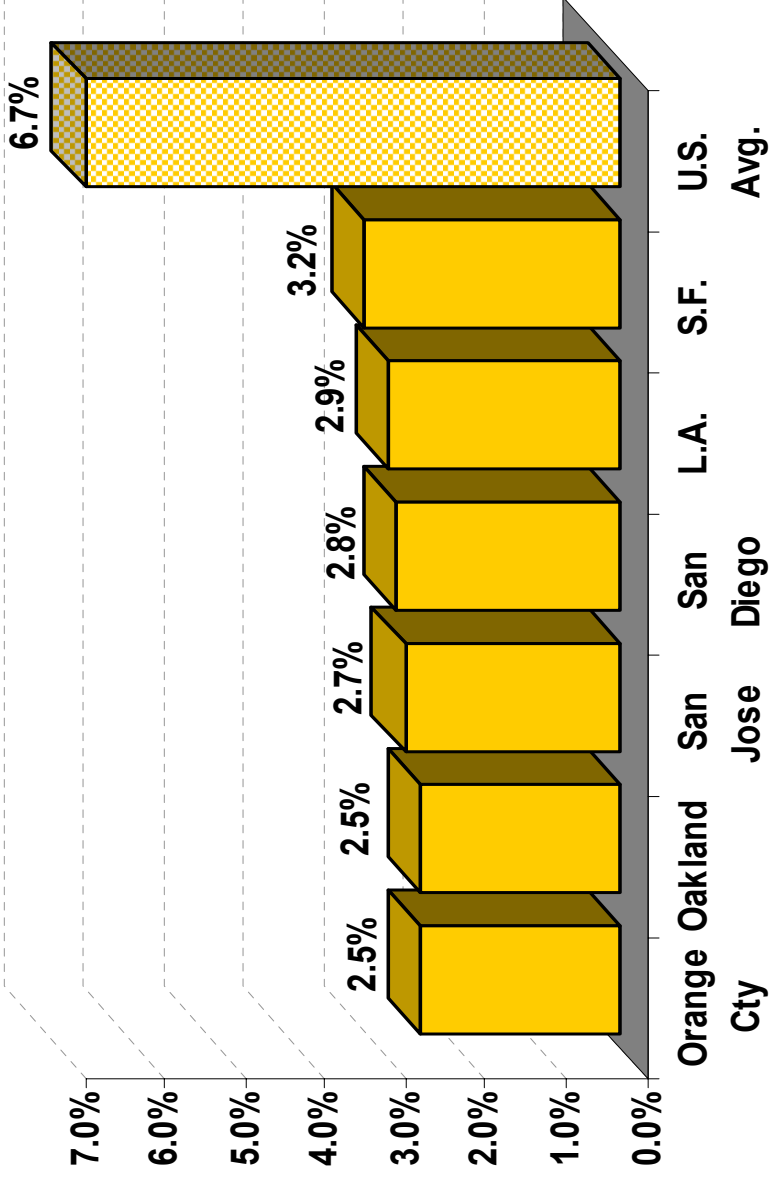
Retail Fundamentals Slow



Source: Reis

California Dream(ing)

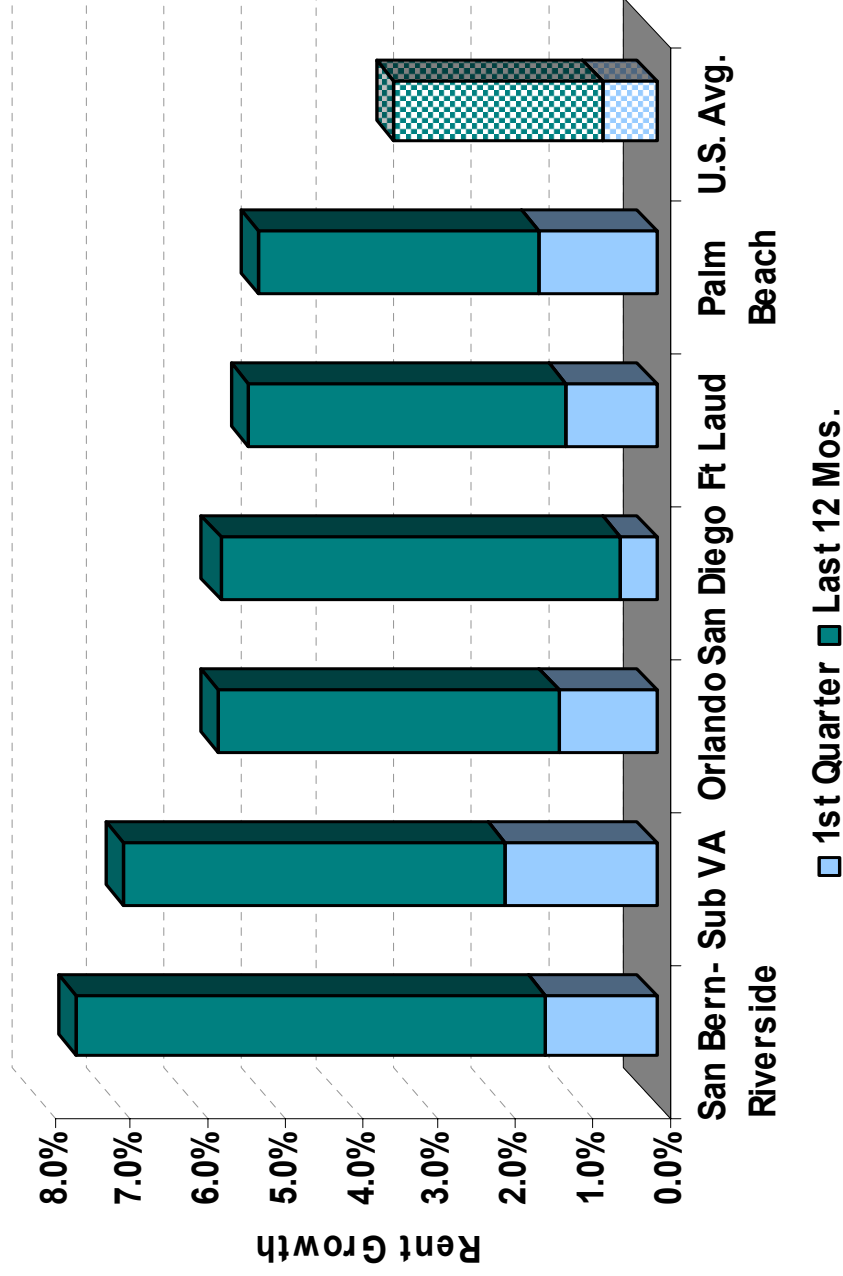
Retail Vacancies, 1Q



Source: Reis

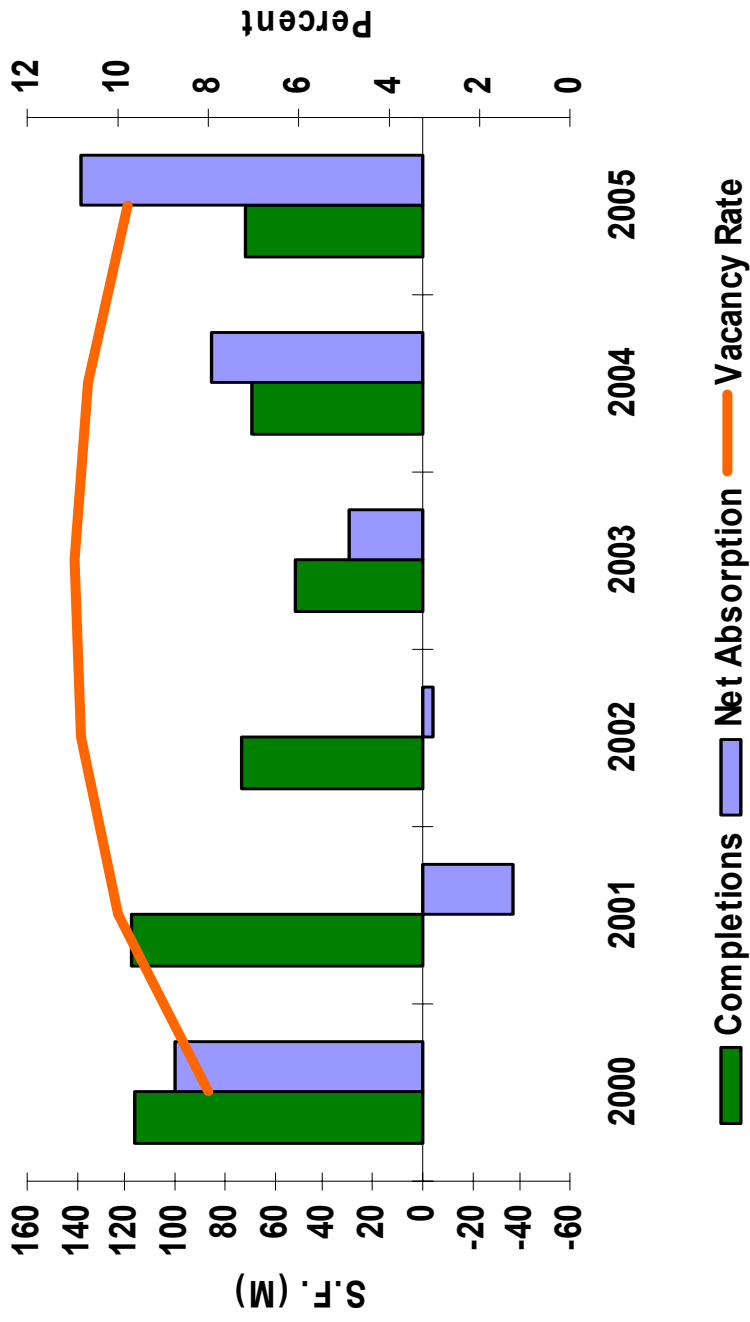
Landlords Reign

Best Retail Rental Markets



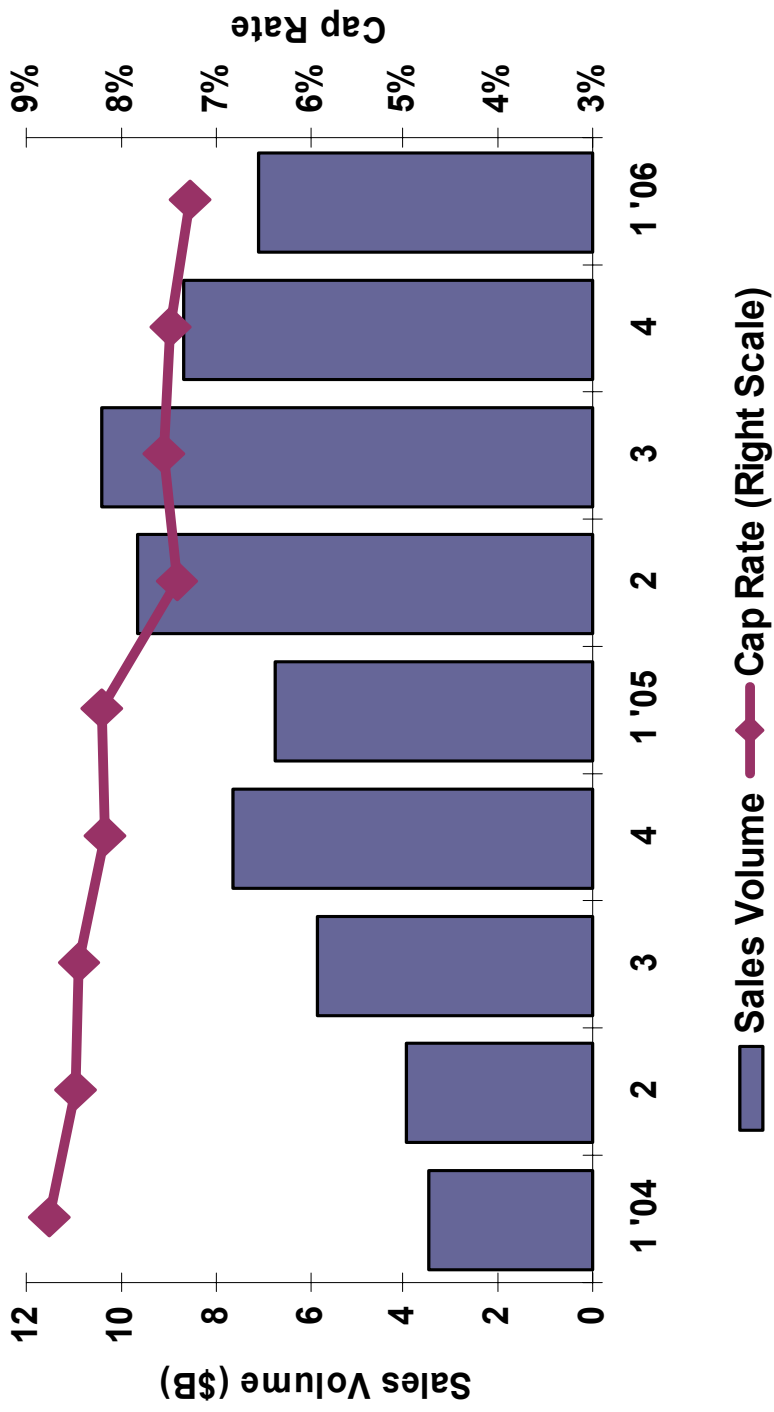
Source: Reis

Industrial Fundamentals on Track



Source: Reis

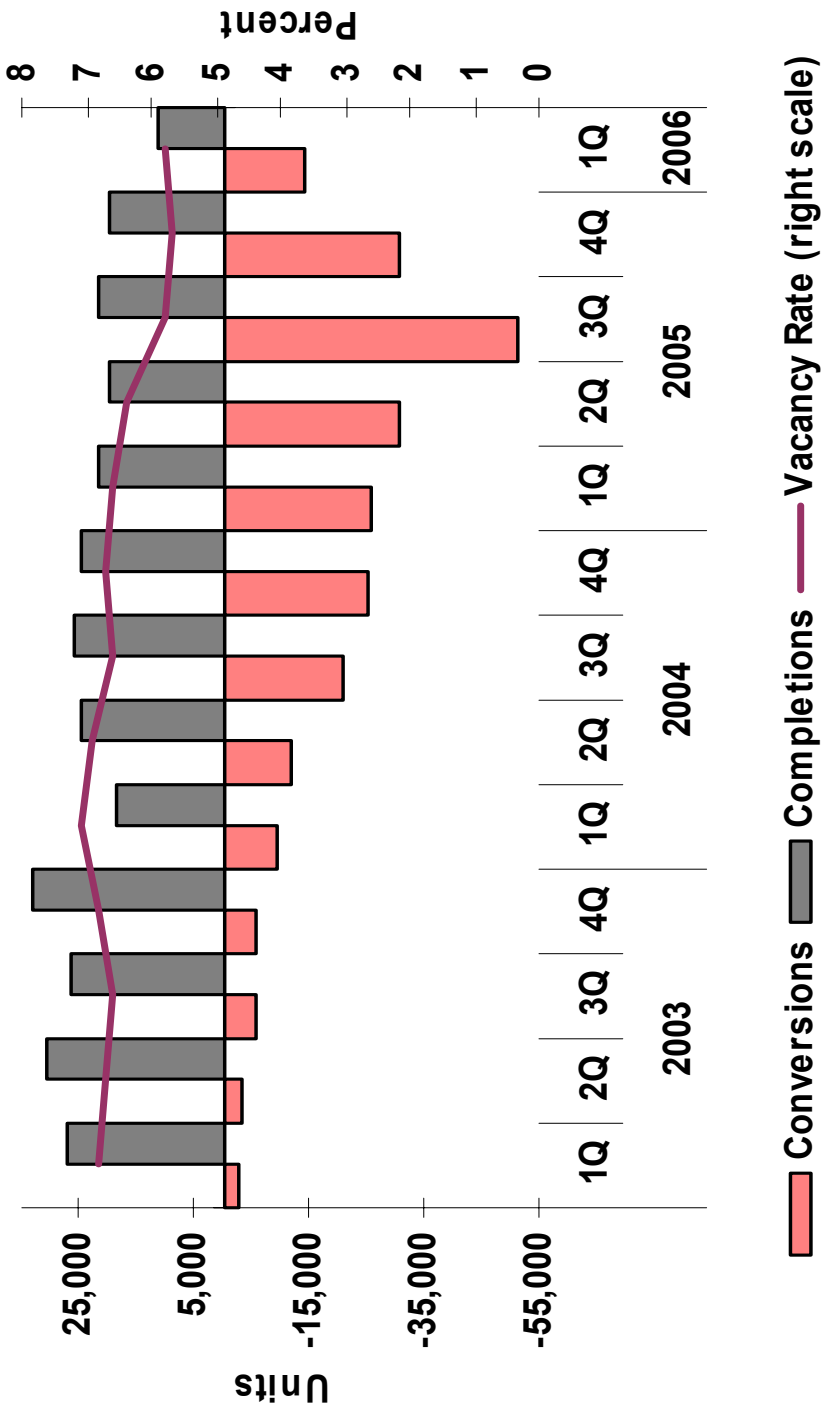
Industrial Yields Dip Further



Source: Reis

Harvesting Rental Product

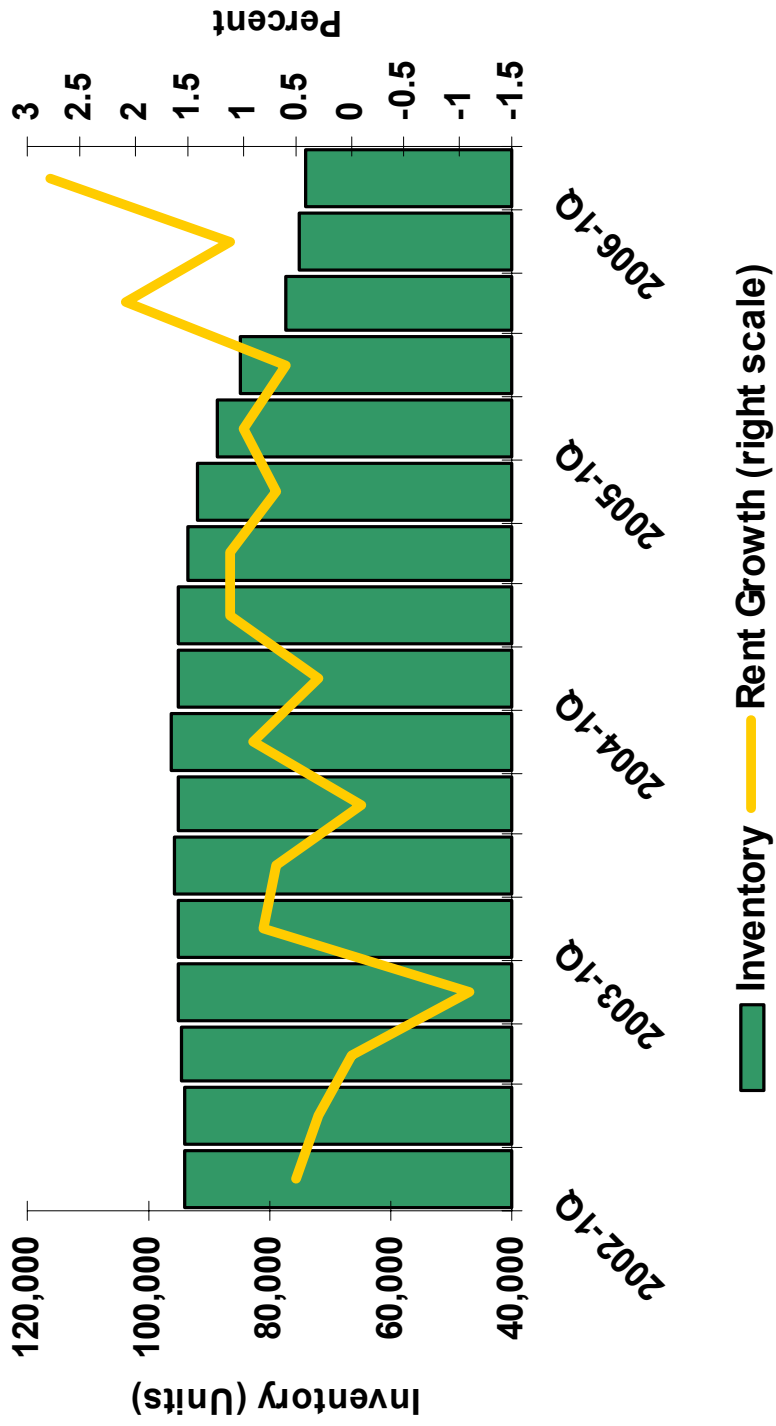
Apartment Conversion and New Supply Trends



Source: Reis

Less is More

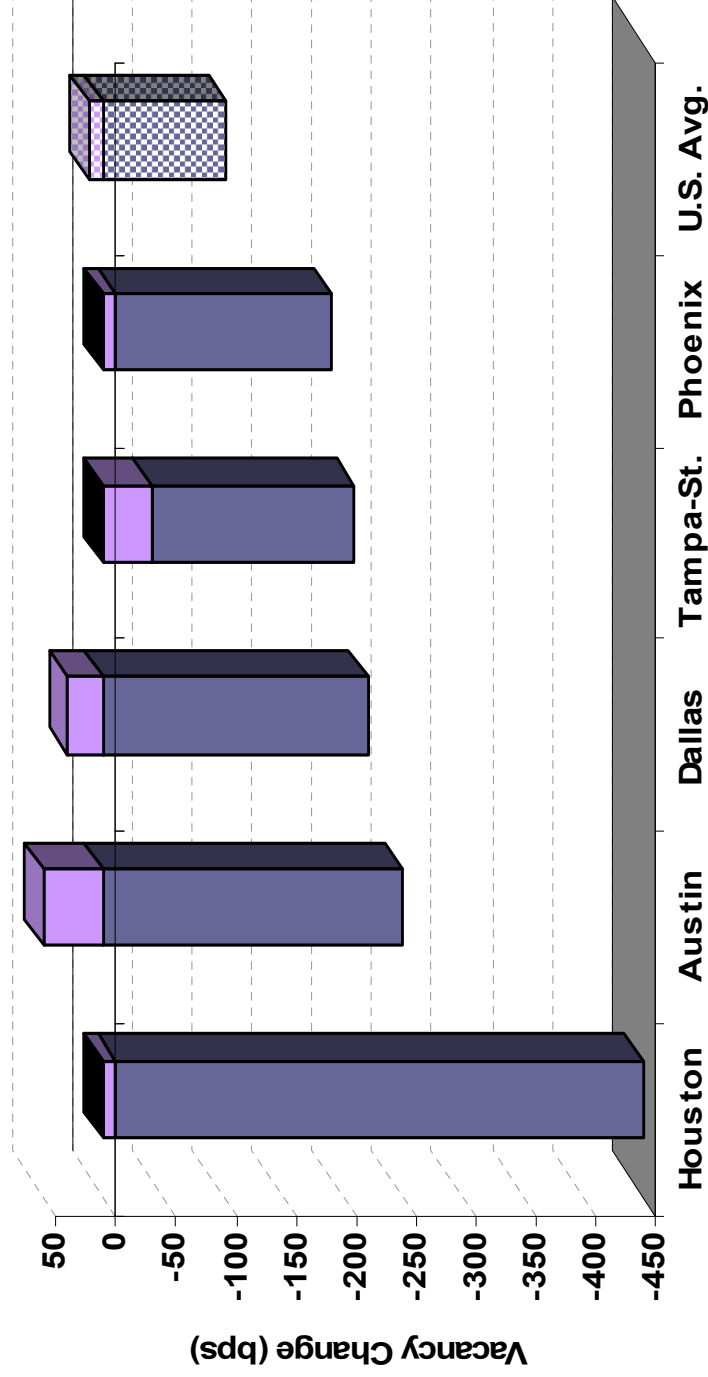
Fort Lauderdale Apartment Market



Source: Reis

Apartment Vacancies Slim Down

Top Performers, Last 12 Months

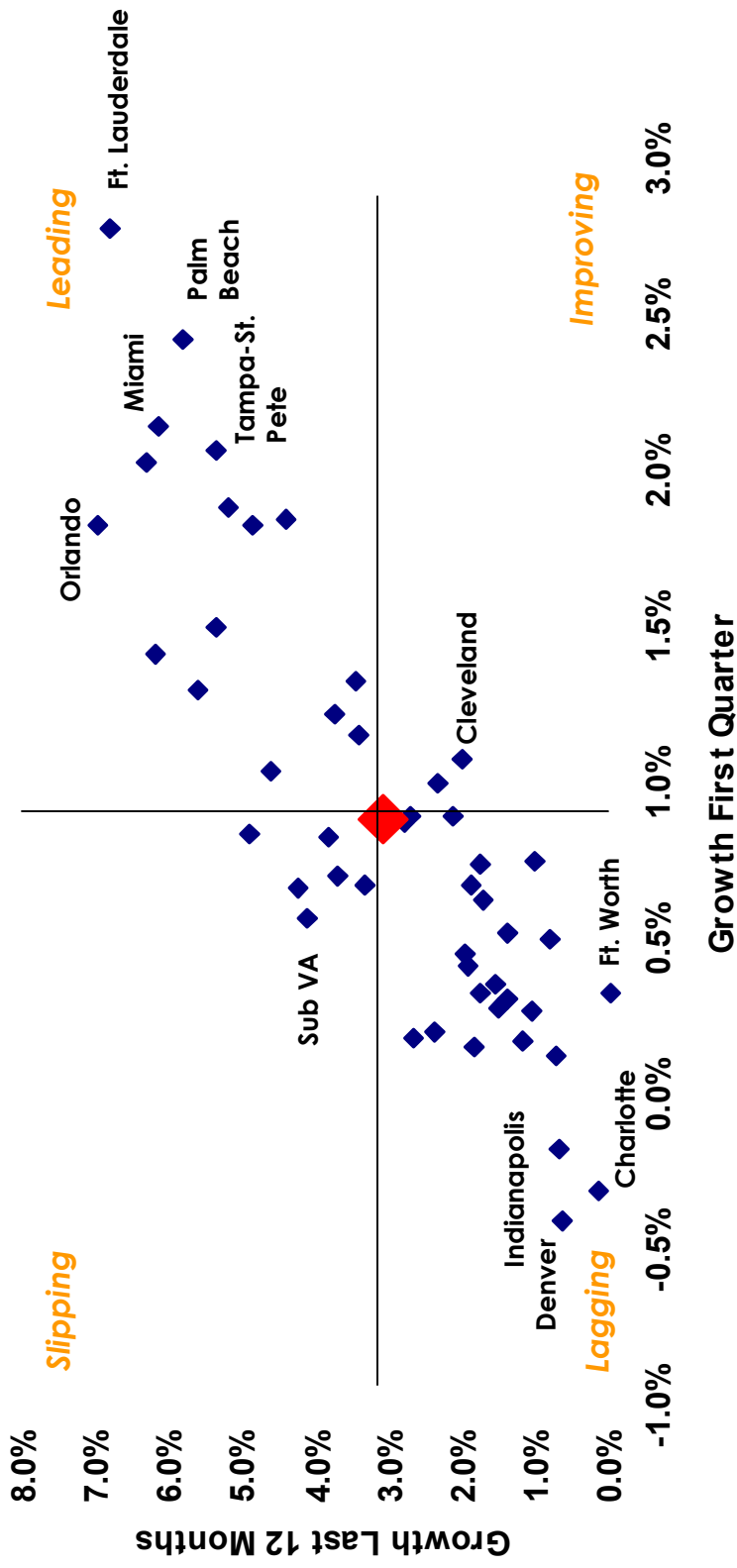


■ 1st Quarter ■ Last 12 Mos.

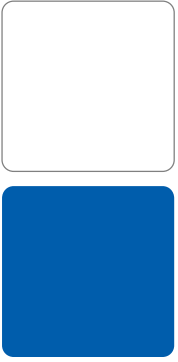
Source: Reis

Metro Apartment Performance

First Quarter and One-Year Rent Growth



Source: Reis; Boxwood Means, Inc.



Formula for Continued Success



- ✓ Improving Rents and Property Income
- ✓ Subdued New Construction Activity
- ✓ Sustained Economic Growth
- ✓ Modest Increases in Interest Rates