

OFFICE REPORT

Clark County | December 2010



SUMMARY | TOTALS



We saw improvement at the end of the year with the market experiencing some much needed positive absorption. We are still experiencing a lot of activity as some tenants are using the opportunity of expiring leases to downsize, while others are using the opportunity to purchase properties using reduced prices and historically low interest rates.

There also seems to be more activity from what I would call "true growth". I recently showed a building to a Seattle area company looking to open another location in our marketplace, finalized the lease on a startup company moving from his home office to an office building, and toured two companies who have put off growing as long as possible and are both looking to double their square footage in our marketplace. There will certainly be some give and take in our market over the next few months, but it would seem to me that the picture looks relatively promising. Here's hoping for an improved 2011.

Total Class A & B Leasable Office Space (sq. ft.)	5,266,216
Total Available Class A & B Office Space (sq. ft.)	1,030,893
Clark County Class A & B Vacancy Rate	19.58%
Average Vacant Class A & B Rental Rate <i>(Adjusted Annual Full Service Basis)</i>	\$20.03
Month Over Month Net Absorption (sq. ft.)	16,389
Year Over Year Net Absorption (sq. ft.)	-17,572

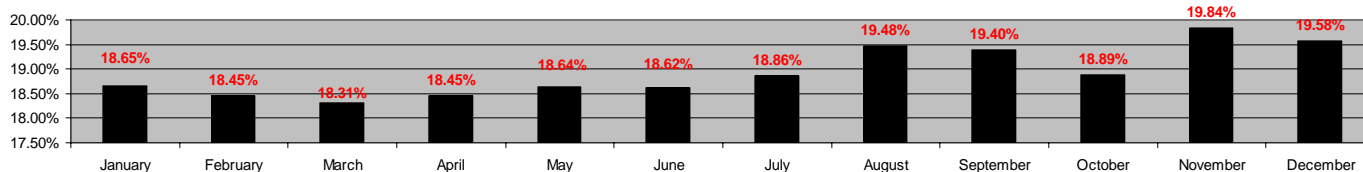
OFFICE REPORT

Clark County | December 2010

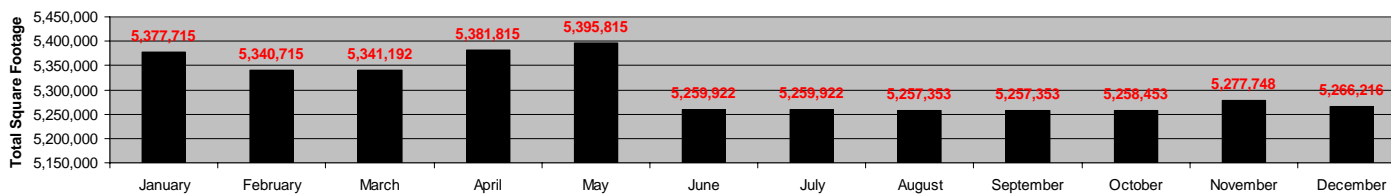


HIGHLIGHTS | TOTALS

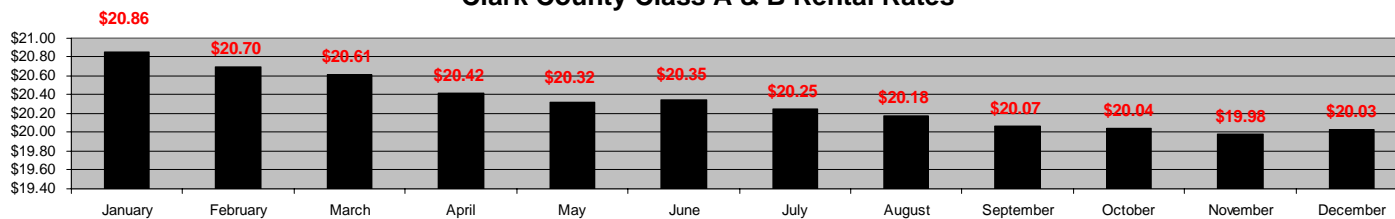
Clark County Class A & B Vacancy Rates



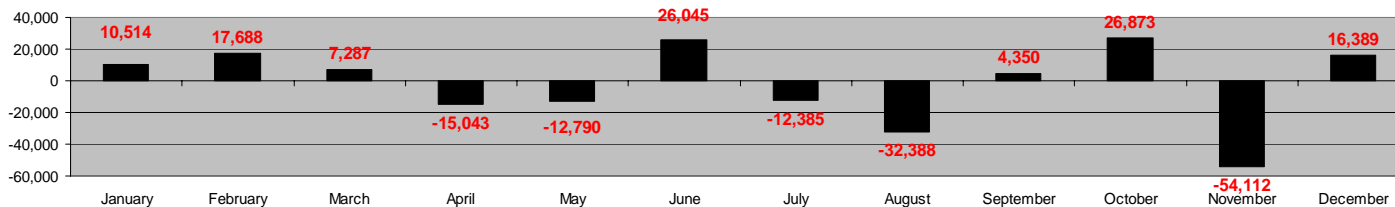
Clark County Class A & B Office Space



Clark County Class A & B Rental Rates



Month Over Month Net Absorption



OFFICE REPORT

Clark County | December 2010



RECENT TRANSACTIONS

October 2010

Horrocks and Schuback	Lease	1,290	Cascade Park / EV	Retail	EF-Inc / WR Equities
Pasta GiGi's	Lease	1,300	Orchards / Battle Ground	Retail	Management Group
Summer Skin Tanning	Lease	1,100	Orchards / Battle Ground	Retail	Management Group
Twilight Video	Lease	2,000	Orchards / Battle Ground	Retail	Management Group
Advisicon, Inc.	Purchase	9,350	Orchards / Battle Ground	Office	Realty Pro / NBS
Bret Kenfield	Lease	800	Orchards / Battle Ground	Retail	NBS
Edward Jones & Company	Lease	1,342	Cascade Park / EV	Office	EF-Inc / CB
Rainbows End Jigs, Flies & Tackles	Lease	1,800	Orchards / Battle Ground	Retail	NBS
Technology Unlimited	Lease	1,890	Hazel Dell / Salmon Creek	Industrial	EF-Inc / Columbia Cmrc

November 2010

A Worksafe Service	Lease	1,043	Vancouver CBD	Office	NBS
VRI Development & Sales	Renewal	4,623	Cascade Park / EV	Office	EF-Inc
Evergreen Cleaners	Renewal	3,868	Orchards / Battle Ground	Retail	Elliott Associates
Stewart Title Company	Renewal	5,677	Cascade Park / EV	Office	EF-Inc / CBRE
Home Instead Senior Care	Lease	1,582	Vancouver Mall	Office	EF-Inc / Columbia Cmrc

December 2010

Paul Rensberger - Dolce Gelato	Lease	1,446	Vancouver CBD	Retail	EF-Inc / KW Cmrc
CT Café	Renewal	1,680	Cascade Park / EV	Retail	Elliott Associates
Rent-A-Car	Renewal	4,000	Orchards / Battle Ground	Retail	Elliott Associates
Absolute Health & Wellness	Lease	2,257	Cascade Park / EV	Office	Melvin Mark
Dale R. Penge	Lease	2,100	Orchards / Battle Ground	Industrial	NBS
Pure Imagination	Lease	4,677	Vancouver CBD	Office	NBS
Thai Lotus	Renewal	2,521	Cascade Park / EV	Retail	Elliott Associates
Absolute Personal Training	Lease	3,020	Camas / Washougal	Retail	CB / Elliott Associates
Accu-Tax Services	Lease	1,115	Cascade Park / EV	Office	EF-Inc / Tim Brown Co
Calahan Insurance Agency	Lease	850	Orchards / Battle Ground	Retail	NBS
ChristWater USA	Lease	2,756	Orchards / Battle Ground	Industrial	EF-Inc / NW Equities
Columbia Business Center, LLC	Purchase	10,000	Cascade Park / EV	Office	NBS
D & D Accounting	Lease	500	Orchards / Battle Ground	Retail	NBS
Mutual Fund Store	Lease	1,566	Cascade Park / EV	Retail	NBS / HSM
Tarek Elkawlak Agency	Lease	1,173	Orchards / Battle Ground	Retail	EF-Inc

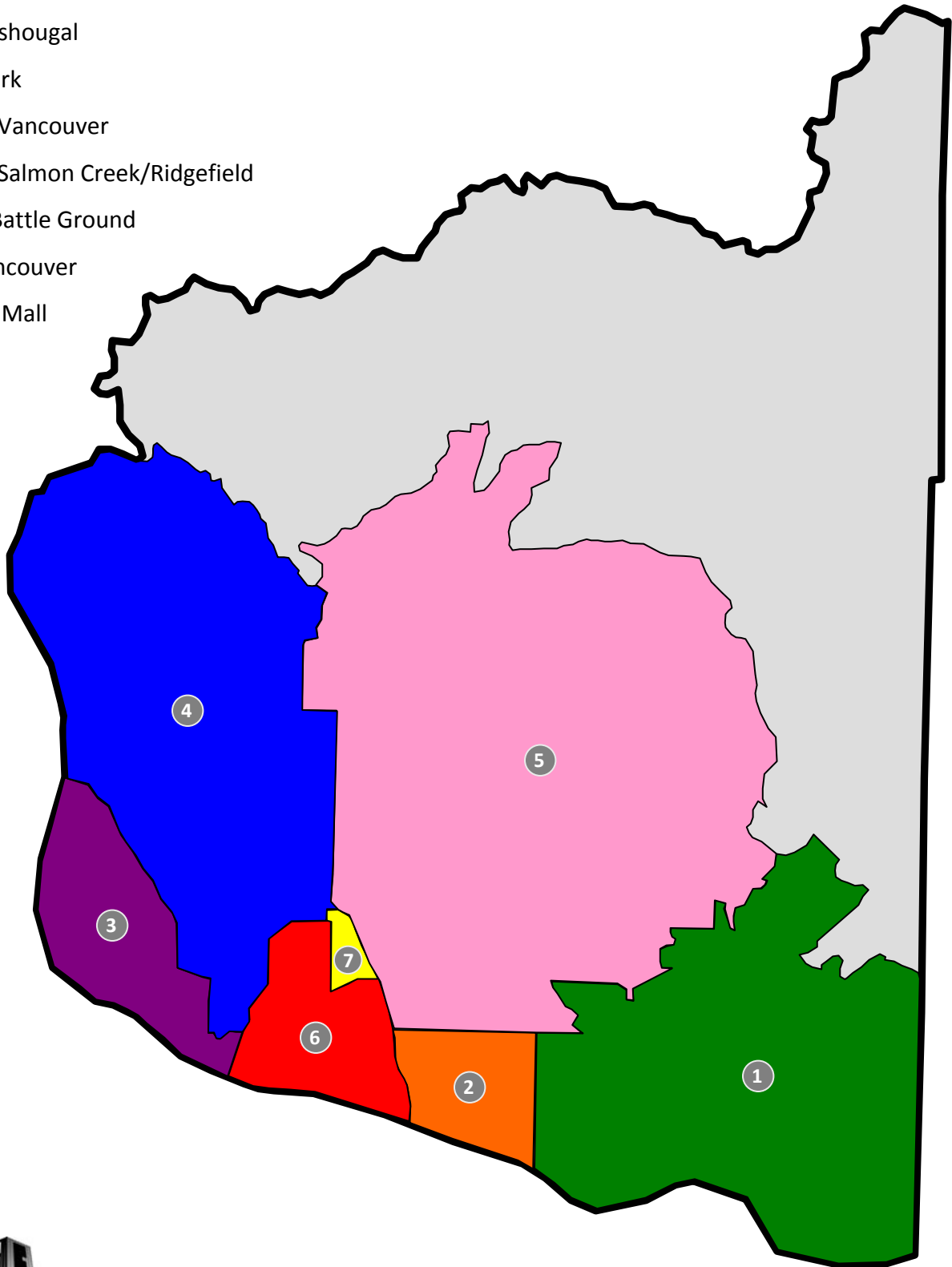
OFFICE REPORT

Clark County | December 2010



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



OFFICE REPORT

Clark County | December 2010



CAMAS | WASHOUGAL SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
1150 S 35th St	5,000			
3695 Truman Rd	5,277			
3400 SE 196th St	5,500	1,132	21%	\$23.00
82 15th St	5,656			
15th St @ A St	5,696			
1540 B St	6,000			
531 NE Everett St	6,000			
416 NE Dallas St	10,000	4,324	43%	\$20.50
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			
4600 NW Camas Meadows Dr	28,600	13,251	46%	\$21.00
4800 NW Camas Meadows Dr	35,454			
4700 NW Camas Meadows Dr	40,701			
	221,408	23,707	10.7%	\$20.63

OFFICE REPORT

Clark County | December 2010



CASCADE PARK SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
19301 SE 34th St	5,000	3,432	69%	\$23.00
606 SE 117th Ave	5,167			
17010 NE 9th St	6,000			
11820 NE Crestwood St	6,200			
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
15524 SE Mill Plain Blvd	7,740			
2415 SE 165th Ave	10,000	2,461	25%	\$18.00
11109-11115 NE 14th St	12,000			
217 SE 136th Ave	12,000			
12204 SE Mill Plain Blvd	12,000			
16219 SE 12th St	13,660	2,997	22%	\$21.00
16508 SE 24th St	14,000			
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	6,636	37%	\$14.95
17700 SE Mill Plain Blvd	21,353			
16821 SE McGillivray Blvd	22,500	1,271	6%	\$23.00
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	5,228	21%	\$23.00
1325 SE Tech Center Dr	25,520	4,120	16%	\$20.00
120 NE 136th Ave	25,696			
811 NE 112th Ave	27,122			
16701 SE McGillivray Blvd	29,682	1,735	6%	\$19.50
12503 SE Mill Plain Blvd	31,552	8,856	28%	\$20.00
19120 SE 34th St	32,356	3,291	10%	\$27.00
13115 NE 4th St	37,843	11,618	31%	\$19.51
601 SE 117th Ave	38,571	16,453	43%	\$21.19
12500 SE Second Cir	38,662	4,533	12%	\$21.50
501 SE 172nd Ave	40,000			
11818 SE Mill Plain Blvd	42,884	13,658	32%	\$21.00

OFFICE REPORT

Clark County | December 2010



CASCADE PARK SUBMARKET | CONTINUED

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
521 SE Chkalov Dr	45,000			
16703 SE McGillivray Blvd	45,218	1,926	4%	\$19.00
201 NE Park Plaza Dr	48,817	12,536	26%	\$21.50
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			
120 NE 136th Ave	53,515			
312 SE Stonemill Dr	64,603	4,561	7%	\$18.50
203 SE Park Plaza Dr	69,283	15,274	22%	\$21.50
222 NE Park Plaza Dr	70,251	22,416	32%	\$21.50
1498 SE Tech Center Pl	71,010	16,473	23%	\$21.00
1499 SE Tech Center Pl	71,365	46,819	66%	\$21.00
201 NE Park Plaza Dr	74,495	28,308	38%	\$20.36
	1,473,391	288,788	19.6%	\$20.93

OFFICE REPORT

Clark County | December 2010



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%	\$13.20
1013 Franklin St	7,920			
210 W 4th St	8,000			
315 W Mill Plain Blvd	8,887			
303 E 16th St	9,270			
400-404 E 13th St	10,000			
1400 Columbia St	10,410	3,869	37%	\$18.50
2101-2107 C St	14,000	14,000	100%	\$12.00
1706 D St	14,000			
801 Main St	14,816			
1409 Franklin St	14,817	1,450	10%	\$15.66
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	8,090	44%	\$17.00
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			
3305 Main St	33,948	7,058	21%	\$15.14
911 Main St	38,634			
1104 Main St	39,713	6,375	16%	\$19.94
500 W Eighth St	39,763	3,480	9%	\$16.89
915 Broadway St	40,000	4,436	11%	\$18.00
611 W Evergreen Blvd	42,973	8,200	19%	\$17.00
703 Broadway St	51,358	5,467	11%	\$21.00
400 E Mill Plain Blvd	60,833	28,834	47%	\$26.00
1220-1260 Main St	62,388			
500 Broadway St	70,353	6,157	9%	\$25.50
900 Washington St	71,000	19,838	28%	\$21.00
1111 Main St	87,984	16,760	19%	\$22.39
700 Washington St	108,248	24,241	22%	\$23.97
805 Broadway St	202,975	67,212	33%	\$23.20
	1,303,493	268,323	20.6%	\$18.59

OFFICE REPORT

Clark County | December 2010



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	4,164	52%	\$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	4,782	45%	\$17.79
9901 NE 7th Ave	11,300	420	4%	\$25.80
2103 NE 129th St	11,400	5,207	46%	\$16.00
2105 NE 129th St	11,400	3,876	34%	\$22.50
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			
2702-2708 NE 78th St	14,000	7,097	51%	\$28.00
10002 NE 13th St	14,500	5,142	35%	\$24.00
13317 NE 12th Ave	14,549	7,176	49%	\$22.94
9901 NE 7th Ave	14,572	2,367	16%	\$23.63
7414 NE Hazel Dell Ave	15,000			
2 S 56th Pl	17,475	2,736	16%	\$22.74
7604 NE Hazel Dell Ave	18,000			
9105 Highway 99	20,000			
9103 Highway 99	21,000			
14508 NE 20th Ave	22,500	1,808	8%	\$26.00
201 NE 73rd St	24,000	5,280	22%	\$13.50
14201 NE 20th Ave	24,734	6,000	24%	\$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	18,520	58%	\$27.13
2417-2525 NE 139th St	45,664			
1308 NE 134th St	55,010			
10000 NE Seventh Ave	60,000	19,677	33%	\$18.09
	631,716	104,564	16.6%	\$22.24

OFFICE REPORT

Clark County | December 2010



ORCHARDS | BATTLE GROUND SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
1401 NW 1st St	5,760			
15 SW 20th Ave	6,442			
105 W Main St	6,450	955	15%	\$18.50
11015 NE Fourth Plain Rd	7,160			
1910 SW 9th Ave	7,568			
11802 NE 65th St	7,729	3,329	43%	\$17.97
12518 NE 95th St	8,632	8,632	100%	\$19.50
118 S Parkway Ave	9,169	5,580	61%	\$19.01
5411 NE 107th Ave	9,350	3,360	36%	\$15.00
13400 NE 20th St	12,106			
1710 W Main St	13,194			
5500 NE 109th Ct	15,922	7,620	48%	\$17.00
11805 NE 99th St	17,520	3,721	21%	\$20.00
11815 NE 99th St	18,744	3,236	17%	\$13.50
5501 NE 109th Ct	18,830	3,740	20%	\$17.00
11807 NE 99th St	19,696	15,841	80%	\$18.50
9115B NE 117th Ave	20,000			
9611 NE 117th Ave	24,160	6,660	28%	\$21.00
109 SW First St	31,110			
	259,542	62,674	24.1%	\$17.91

OFFICE REPORT

Clark County | December 2010



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	3,000	49%	\$19.80
2403 E Evergreen Blvd	7,335	3,101	42%	\$21.00
3312 E Fourth Plain Blvd	7,600	2,800	37%	\$16.00
9300 Oak View Dr	11,600	3,568	31%	\$16.00
6615 E 4th Plain Blvd	17,000	6,000	35%	\$20.50
2001 SE Columbia River Dr	20,000	9,428	47%	\$30.00
5305 E 18th St	21,810	4,810	22%	\$21.16
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	2,600	10%	\$28.00
2211 E Mill Plain Blvd	32,011			
2700 NE Andresen Rd	36,782	10,266	28%	\$15.70
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	26,106	17%	\$18.00
	552,029	115,815	21.0%	\$20.40

OFFICE REPORT

Clark County | December 2010



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	8,067	66%	\$21.00
9310 NE Vancouver Mall Dr	15,000			
3925 NE 72nd Ave	15,154			
7720 NE Vancouver Mall Dr	15,232	7,319	48%	\$18.00
9330 NE Vancouver Mall Dr	15,250			
7710 NE Vancouver Mall Dr	15,697			
7200 NE 41st St	16,017	7,730	48%	\$17.00
5101 NE 82nd Ave	18,960	14,300	75%	\$22.50
5101 NE 82nd Ave	18,960			
9320 NE Vancouver Mall Dr	20,000	5,771	29%	\$21.00
7710 NE Greenwood Dr	27,500	5,768	21%	\$18.00
7700 NE Greenwood Dr	27,500	2,074	8%	\$19.50
5101-5104 NE 82nd Ave	28,500			
9120 NE Vancouver Mall Loop	32,504	4,127	13%	\$20.40
8000 NE Parkway Dr	47,810	6,421	13%	\$22.50
7700 NE Parkway Dr	50,762	18,442	36%	\$21.00
4601 NE 77th Ave	53,114	10,884	20%	\$22.00
8100 NE Parkway Dr	56,960	2,965	5%	\$20.00
4317 NE Thurston Way	57,463	23,687	41%	\$13.88
7600 NE 41st St	72,000			
7500 NE 41st St	84,198			
4400 NE 77th Ave	95,873	44,845	47%	\$24.00
	824,637	167,022	20.3%	\$19.67