

OFFICE REPORT

Clark County | June 2012



SUMMARY | TOTALS



Activity slowed this past month keeping the vacancy rate flat. This is surprising to me for I anticipated the activity earlier in the year would translate into more absorption over the summer months. Whether the activity from earlier yielded few closed transactions or whether those transactions have yet to close I am unsure.

One trend we are starting to see though is a faint "pullback" taking place by landlords in the marketplace. Though concessions are common and fairly stable (one month free on a three year deal / three months free on a five year deal / full fees to procuring brokers) landlords seem to be more comfortable with letting a deal pass them by. Whether this shift is prudent or whether it is premature we will see in the coming months ahead.

Total Class A & B Leasable Office Space (sq. ft.)	5,573,972	VACANCY RATE Change from past Month Year (19.96%) (19.52%)
Total Available Class A & B Office Space (sq. ft.)	1,112,516	
Clark County Class A & B Vacancy Rate	19.96%	RENTAL RATE Change from past Month Year (\$19.35) (\$19.79)
Average Vacant Class A & B Rental Rate <i>(Adjusted Annual Full Service Basis)</i>	\$19.43	
Month-Over-Month Net Absorption (sq. ft.)	-3,561	
Year-Over-Year Net Absorption (sq. ft.)	-46,773	
<i>All data in this report is from the end of the previous month</i>		

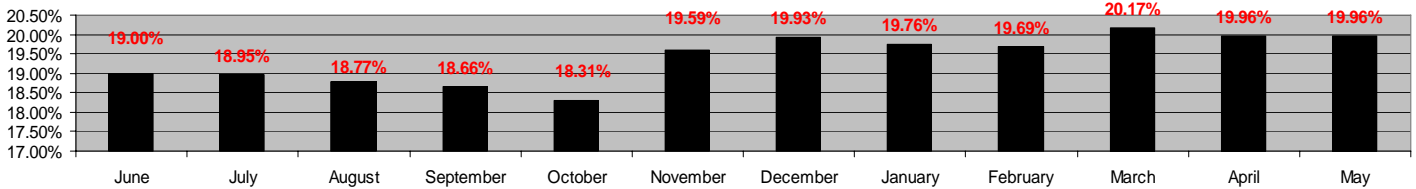
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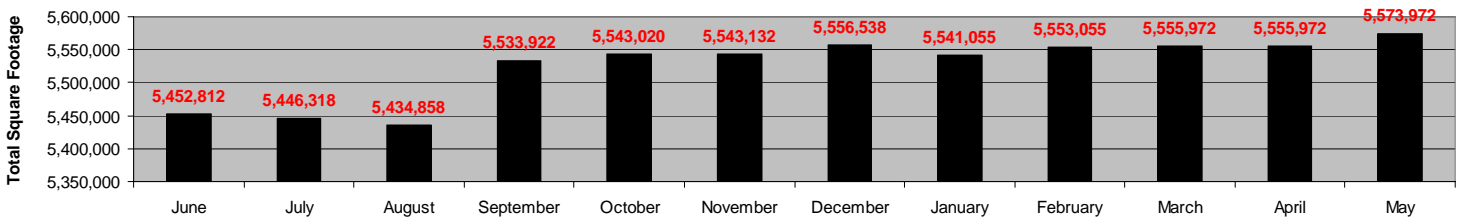


HIGHLIGHTS | TOTALS

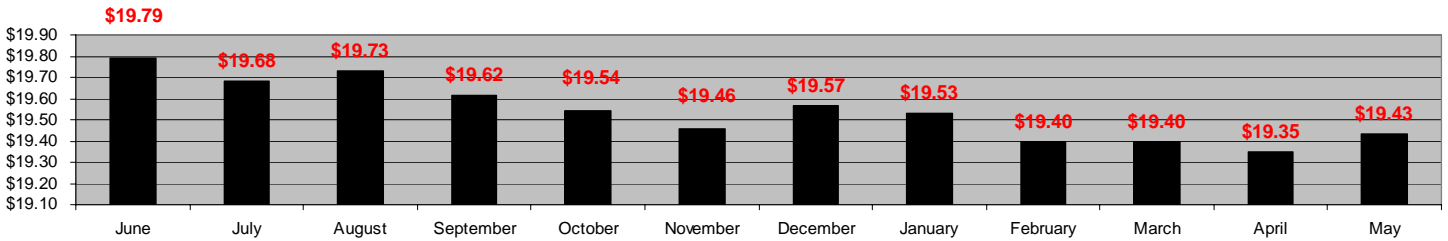
Clark County Class A & B Vacancy Rates



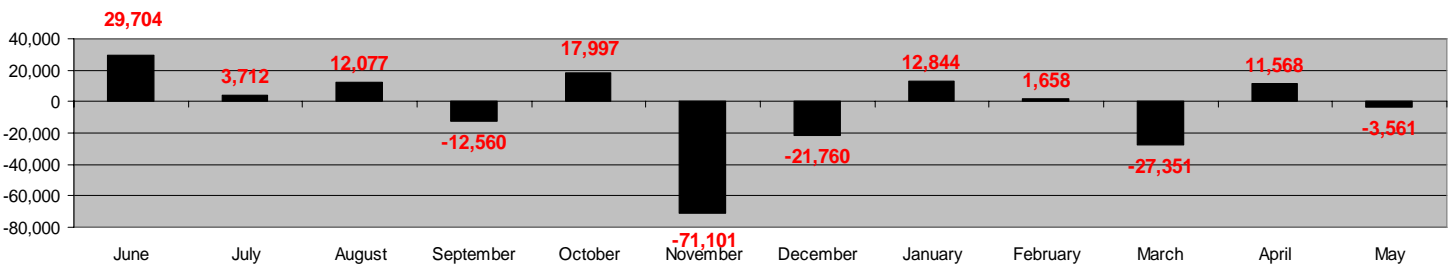
Clark County Class A & B Office Space



Clark County Class A & B Rental Rates



Month Over Month Net Absorption



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RECENT TRANSACTIONS

April-12	Transaction	Sq. Ft.	Submarket	Type	Brokerage Firm(s)
Odom-Southern Wine Distrib.	Lease	21,665	Hazel Dell / Salmon Creek	Industrial	CSRA / Col Com
Mac Electric, Inc.	Lease	1,890	Hazel Dell / Salmon Creek	Industrial	NW Equities / Col Com
DE Legacy, LLC	Purchase	18,800	Hazel Dell / Salmon Creek	Industrial	KM / Cush
Effective Web Solutions	Lease	2,500	Camas / Washougal	Office	Lone Wolf
Choice Rest	Lease	2,250	Cascade Park / East Vancouver	Retail	NBS / REIG
Coffee Holding	Lease	2,850	Orchards / Battle Ground	Industrial	NBS
David & Michelle Kauffman	Purchase	1,790	Vancouver Mall	Retail	CB
Edu. Opps for Children & Families	Lease	1,344	Vancouver Mall	Office	NBS
Glo Beauty Lounge	Lease	743	Camas / Washougal	Retail	Lone Wolf
Misty DeWitt	Lease	1,823	Vancouver CBD	Retail	CB
Retail Group, LLC	Lease	4,408	Central Vancouver	Industrial	CB
All About Nutrition	Expansion	4,600	Hazel Dell / Salmon Creek	Retail	KW
Competitive Engineering	Lease	1,700	Camas / Washougal	Office	Lone Wolf
Russian Food Market	Lease	2,341	Cascade Park / East Vancouver	Retail	CB
New Athlete	Lease	2,900	Hazel Dell / Salmon Creek	Retail	KW
Shear Trends	Renewal	800	Hazel Dell / Salmon Creek	Retail	Col Com
STE Wing Investment	Purchase	1,500	Vancouver CBD	Retail	KW
Bruno Portrait Studios	Lease	1,036	Vancouver CBD	Office	NBS
Eric Hoffman	Lease	600	Vancouver CBD	Office	Phillips
Goddard School	Lease	8,000	Hazel Dell / Salmon Creek	Office	CB Bain
Marks Designs & Metalworks	Lease	23,160	Hazel Dell / Salmon Creek	Industrial	CB
Melvin & Cheryl Locke	Purchase	5,000	Camas / Washougal	Retail	CB Bain / KW
William Straw	Lease	1,750	Orchards / Battle Ground	Industrial	Phillips
Jonathan Education Center	Lease	1,764	Cascade Park / East Vancouver	Office	NBS / Cush
Norma Naal	Lease	704	Central Vancouver	Office	NBS
Sobolick & Finegan Properties	Purchase	10,000	Vancouver CBD	Retail	CB
May-12	Transaction	Sq. Ft.	Submarket	Type	Brokerage Firm(s)
American Packaging	Lease	1,750	Orchards / Battle Ground	Industrial	Phillips
CR Boger Construction	Lease	1,750	Orchards / Battle Ground	Industrial	Phillips
Castro's Margarita Factory	Lease	4,800	Cascade Park / East Vancouver	Retail	NBS
Directors Mortgage	Lease	2,566	Hazel Dell / Salmon Creek	Office	NBS / CRESA
192nd Plaza South, LLC	Purchase	1.48 ac.	Cascade Park / East Vancouver	Land	Phillips
Advantel	Renewal	3,230	Vancouver CBD	Office	NBS
Back Alley Bar and Grill	Renewal	5,000	Central Vancouver	Retail	Phillips
Canfield Transfer	Lease	62,798	Central Vancouver	Industrial	Phillips / Col Com
David Fisher of Firehouse Photo	Lease	1,150	Vancouver Mall	Office	Phillips
Dr. Roof	Lease	2,000	Hazel Dell / Salmon Creek	Industrial	NBS
Lifetouch National School Studios	Renewal	2,790	Orchards / Battle Ground	Industrial	Col Com
Sans Midman Furniture	Lease	6,000	Orchards / Battle Ground	Industrial	Col Com
Save the Planet Interiors	Lease	1,320	Camas / Washougal	Retail	CB
State Farm Insurance - Kris Greene	Lease	1,467	Cascade Park / East Vancouver	Office	CB
V. Tikhimirov & D. Pastchenko	Lease	1,000	Cascade Park / East Vancouver	Retail	CB
Brewed Awakenings	Lease	3,180	Central Vancouver	Retail	EF-Inc / NBS
Company Wrench	Lease	4,800	Vancouver CBD	Industrial	NBS
Gental Dental	Expansion	1,046	Orchards / Battle Ground	Retail	CB
Raise the Bar Promotions	Lease	1,826	Hazel Dell / Salmon Creek	Office	NBS
The Last US Bag Company	Lease	5,100	Orchards / Battle Ground	Industrial	NBS
Orchards 76	Lease	2,500	Orchards / Battle Ground	Retail	NBS

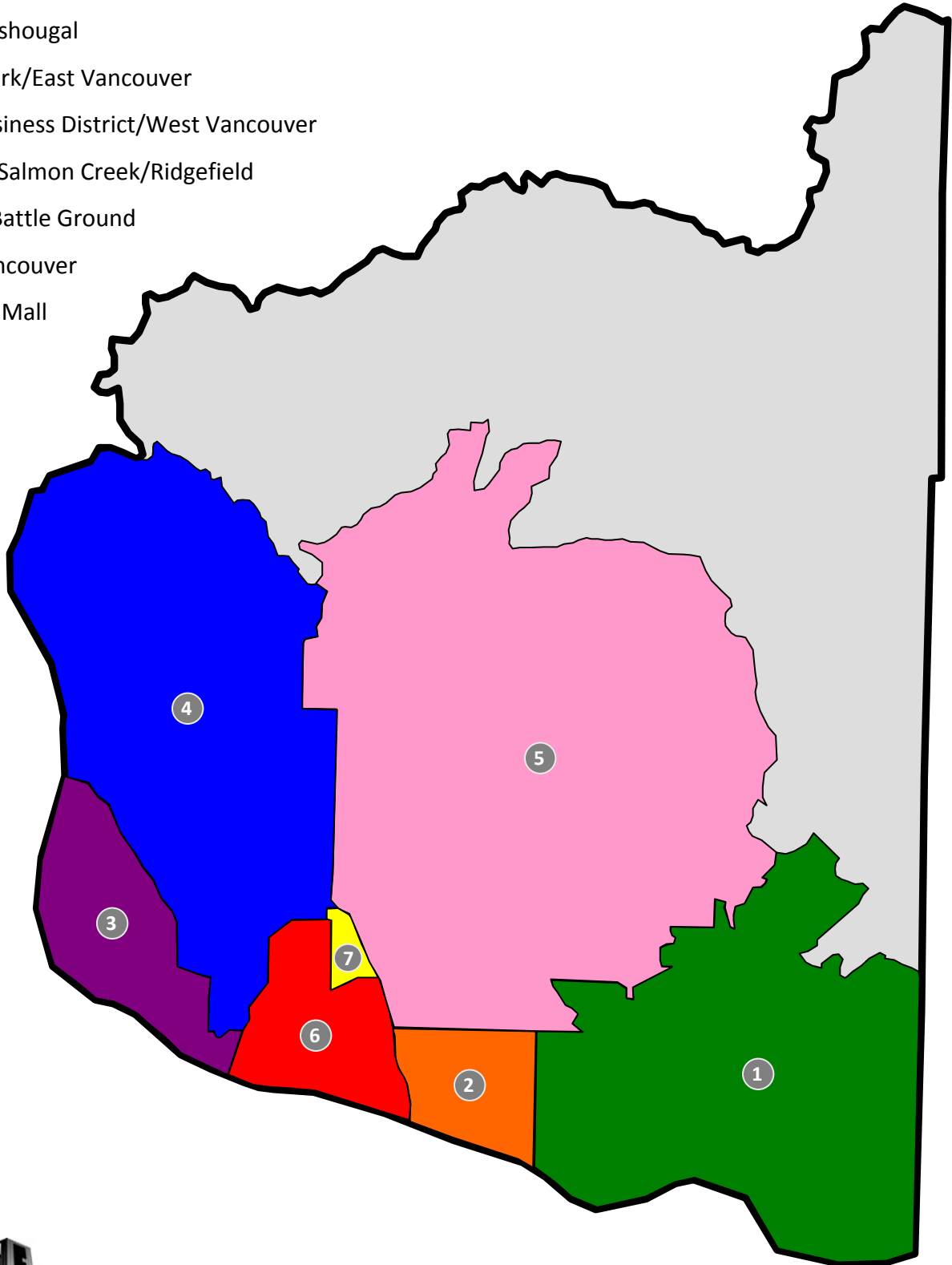
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OFFICE SUBMARKETS MAP

1. Camas/Washougal
2. Cascade Park/East Vancouver
3. Central Business District/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
19301 SE 34th St	5,000			
3695 Truman Rd	5,277			
3400 SE 196th St	5,500			
82 Washougal River Rd	5,656	2,550	45%	\$19.50
1540 B St	6,000			
531 NE Everett St	6,000			
416 NE Dallas St	10,000			
700 NE Fourth Ave	19,761	5,000	25%	\$18.00
1700 Main St	25,802	18,450	72%	\$18.50
4900 NW Camas Meadows Dr	27,820			
4600 NW Camas Meadows Dr	28,600	20,426	71%	\$21.00
4800 NW Camas Meadows Dr	35,454			
4700 NW Camas Meadows Dr	40,701			
	221,571	46,426	21.0%	\$19.25

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CASCADE PARK | EAST VANCOUVER SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
606 SE 117th Ave	5,167			
17010 NE 9th St	6,000			
11820 NE Crestwood St	6,200	2,900	47%	\$17.00
234 SE 136th Ave	7,300	1,665	23%	\$23.00
519 SE 116th Ave	7,382			
16820 SE McGillivray Blvd	7,500			
15524 SE Mill Plain Blvd	7,740	2,052	27%	\$17.00
2415 SE 165th Ave	10,000	2,461	25%	\$18.00
12204 SE Mill Plain Blvd	12,000			
217 SE 136th Ave	12,000	3,600	30%	\$16.00
11105-11115 NE 14th St	12,000	4,500	38%	\$18.00
16219 SE 12th St	13,660	5,412	40%	\$18.00
16508 SE 24th St	14,000	4,978	36%	\$19.50
417 SE 164th Ave	15,525			
1406 SE 164th Ave	17,085	17,085	100%	\$16.79
615 SE Chkalov Dr	18,073			
14300 SE First St	18,166	3,500	19%	\$14.95
17700 SE Mill Plain Blvd	21,353	12,380	58%	\$19.00
16821 SE McGillivray Blvd	22,011			
16821 SE McGillivray Blvd	22,011	9,395	43%	\$20.00
3250 SE 164th Ave	23,000	8,370	36%	\$21.99
521 NE 136th Ave	24,000			
11201 NE 9th St	24,542			
1325 SE Tech Center Dr	25,520	6,547	26%	\$20.00
120 NE 136th Ave	25,696			
811 NE 112th Ave	27,122			
16701 SE McGillivray Blvd	29,682			
12503 SE Mill Plain Blvd	31,552	10,473	33%	\$18.50
19120 SE 34th St	32,356			
701 NE 136th Ave	34,834	34,834	100%	\$24.00
13115 NE 4th St	37,843	4,342	11%	\$22.50
601 SE 117th Ave	38,571	16,453	43%	\$21.69
12500 SE Second Cir	38,662	4,331	11%	\$22.50
501 SE 172nd Ave	40,000			

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CASCADE PARK | EAST VANCOUVER SUBMARKET (CONT.)

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
11818 SE Mill Plain Blvd	42,884	5,780	13%	\$21.00
521 SE Chkalov Dr	45,000			
16703 SE McGillivray Blvd	45,218	6,956	15%	\$19.00
201 NE Park Plaza Dr	48,817	10,772	22%	\$22.50
17205 SE Mill Plain Blvd	50,000			
204 SE Stonemill Dr	51,908	16,460	32%	\$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
201 NE Park Plaza Dr	66,568	40,913	61%	\$21.71
203 SE Park Plaza Dr	69,283	18,362	27%	\$22.50
222 NE Park Plaza Dr	70,251	12,746	18%	\$22.50
1498 SE Tech Center Pl	71,010	12,245	17%	\$21.00
1499 SE Tech Center Pl	71,365	30,208	42%	\$22.00
	1,491,820	314,281	21.1%	\$19.92

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CENTRAL BUSINESS DISTRICT | WEST VANCOUVER SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
310 W 11th St	5,020			
601-611 16th St	5,300			
1801 D St	7,906	1,600	20%	\$19.50
1013 Franklin St	7,920			
210 W 4 th 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	870	8%	\$18.50
1706 D St	14,000			
801 Main St	14,816			
1409 Franklin St	14,817	725	5%	\$13.68
404 E 15th St	16,500	2,100	13%	\$22.50
710 W 13th St	17,853			
1408 Franklin St	17,972			
1610 C St	18,318	11,908	65%	\$24.00
1300 Esther St.	20,962	2,811	13%	\$18.00
601 W Evergreen Blvd	22,002			
1313 Main St	23,383			
314 W 15 th St.	23,391			
916 Main St	26,627	4,467	17%	\$17.00
101 E 8 th St	26,930	9,127	34%	\$13.18
2500 Main St	30,000			
3305 Main St	33,948	5,681	17%	\$14.94
911 Main St	34,068	5,800	17%	\$13.64
1104 Main St	39,713	13,041	33%	\$14.00
500 W Eighth St	39,763	2,700	7%	\$16.00
915 Broadway St	40,000	3,176	8%	\$18.00
611 W Evergreen Blvd	42,973	8,200	19%	\$17.00
703 Broadway St	51,358	5,274	10%	\$21.00
400 E Mill Plain Blvd	60,833	20,406	34%	\$26.00
1220-1260 Main St	62,500	62,500	100%	\$19.47
500 Broadway St	70,353	4,122	6%	\$25.50
900 Washington St	71,000	1,460	2%	\$23.00
1111 Main St	87,984	10,421	12%	\$22.50
700 Washington St	108,248	37,634	35%	\$23.15
415-515 W 6th St	120,823	8,742	7%	\$24.75
805 Broadway St	202,975	53,818	27%	\$23.00
	1,426,823	276,583	19.4%	\$19.49

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HAZEL DELL | SALMON CREEK | RIDGEFIELD SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
9705 NE Hazel Dell Ave	5,684			
14201 NE 20th Ave	7,800			
7409 NE Hazel Dell Ave	8,000	2,814	35%	\$20.00
2515 NE 134th St	8,524	1,764	21%	\$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	2,468	23%	\$17.82
9901 NE 7th Ave	11,300	1,369	12%	\$22.72
2105 NE 129th St	11,400	1,310	11%	\$22.50
2103 NE 129th St	11,400	5,700	50%	\$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	3,755	28%	\$16.00
2702-2708 NE 78th St	14,000	3,450	25%	\$21.00
10002 NE 13th St	14,500	5,142	35%	\$24.00
13317 NE 12th Ave	14,549	7,176	49%	\$21.87
9901 NE 7th Ave	14,572	750	5%	\$19.56
7414 NE Hazel Dell Ave	15,000	6,500	43%	\$12.00
2 S 56th Pl	17,475	3,856	22%	\$25.50
7604 NE Hazel Dell Ave	18,000			
9105 Highway 99	20,000	13,000	65%	\$18.50
9103 Highway 99	21,000			
14508 NE 20th Ave	22,500	4,388	20%	\$26.00
201 NE 73rd St	24,000	5,280	22%	\$19.00
14201 NE 20th Ave	24,734	8,263	33%	\$22.00
2501 NE 134th St	27,786	10,369	37%	\$24.32
2621 NE 134th St	32,123	17,355	54%	\$27.23
2415 NE 134th St	33,048	3,039	9%	\$21.00
2417-2525 NE 139th St	45,664			
1308 NE 134th St	55,010	700	1%	\$15.00
10000 NE Seventh Ave	60,000	9,907	17%	\$21.47
	639,448	119,393	18.7%	\$21.12

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ORCHARDS | BATTLE GROUND SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
1401 NW 1st St	5,760	1,400	24%	\$16.00
15 SW 20th Ave	6,442			
105 W Main St	6,450			
1910 SW 9th Ave	7,568			
11802 NE 65th St	7,729	1,129	15%	\$15.00
12518 NE 95th St	8,632			
118 S Parkway Ave	9,169	6,646	72%	\$18.50
5411 NE 107th Ave	9,350			
1818 SE 17th St	9,500			
13400 NE 20th St	12,106			
5501 NE 109th Ct	12,976	5,819	45%	\$15.00
1710 W Main St	13,262	2,421	18%	\$16.00
5500 NE 109th Ct	15,922	2,230	14%	\$14.00
11805 NE 99th St	17,520	3,191	18%	\$18.50
11815 NE 99th St	18,744	3,236	17%	\$18.00
11807 NE 99th St	19,696	15,396	78%	\$19.50
9115B NE 117th Ave	20,000			
9611 NE 117th Ave	24,160	6,660	28%	\$18.00
15640 NE Fourth Plain Blvd	25,360	15,360	61%	\$18.85
109 SW First St	31,110			
10600 NE 51st Cir	40,664	40,664	100%	\$22.00
2005 W Main St	48,900			
	371,020	104,152	28.1%	\$17.45

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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
717 NE 61st St	6,100			
816 NE 87th Ave	6,156	6,156	100%	\$18.50
2403 E Evergreen Blvd	7,342	4,795	65%	\$12.50
8516 NE 8 th Way	7,416	7,416	100%	\$18.00
3312 E Fourth Plain Blvd	8,500			
9300 Oak View Dr	11,600	3,568	31%	\$15.00
6615 E 4th Plain Blvd	17,000	3,000	18%	\$13.50
2300 E Third Loop	18,000	1,156	6%	\$23.50
2001 SE Columbia River Dr	22,540	10,842	48%	\$21.50
200 Grand Blvd	22,600			
8614 NE Mill Plain Blvd	23,498	5,976	25%	\$20.04
5305 E 18th St	25,000	1,850	7%	\$16.49
2018 Grand Blvd	25,782			
1701 SE Columbia River Dr	26,000	2,612	10%	\$24.00
5300 MacArthur Blvd	30,000	28,000	93%	\$12.00
2211 E Mill Plain Blvd	32,011			
2700 NE Andresen Rd	36,782	9,309	25%	\$11.26
501 SE Columbia Shores Blvd	41,969	13,220	31%	\$23.00
5701-5721 SE Columbia Way	66,000			
5411 E Mill Plain Blvd	152,536	16,377	11%	\$16.00
	591,832	115,191	19.5%	\$17.72

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VANCOUVER MALL SUBMARKET

	Leasable Area (SF)	Total Available (SF)	Vacancy	Average Weighted Rent
9407 NE Vancouver Mall Dr	5,600			
5131 NE 94th Ave	6,184	1,064	17%	\$17.00
5123 NE 94th Ave	6,184	2,288	37%	\$17.00
8400 NE Vancouver Mall Loop	6,900	2,984	43%	\$23.00
4610 NE 77th Ave	8,953			
9300 NE Vancouver Mall Dr	12,135			
5101 NE 82nd Ave	12,624			
3925 NE 72nd Ave	15,000			
9310 NE Vancouver Mall Dr	15,000			
3925 NE 72nd Ave	15,154			
7720 NE Vancouver Mall Dr	15,232	1,463	10%	\$18.00
9330 NE Vancouver Mall Dr	15,250	3,273	21%	\$21.07
7710 NE Vancouver Mall Dr	15,697			
7200 NE 41st St	16,017	5,750	36%	\$17.00
5101 NE 82nd Ave	17,999			
9320 NE Vancouver Mall Dr	20,000	5,771	29%	\$21.00
5101 NE 82nd Ave	25,245	17,662	70%	\$18.00
7710 NE Greenwood Dr	27,500	2,856	10%	\$19.50
7700 NE Greenwood Dr	27,500	4,401	16%	\$19.50
9120 NE Vancouver Mall Loop	32,504	1,967	6%	\$20.00
8000 NE Parkway Dr	47,810	19,012	40%	\$19.00
7700 NE Parkway Dr	50,762	21,859	43%	\$20.00
4601 NE 77th Ave	52,696	10,884	21%	\$22.00
4317 NE Thurston Way	54,481	24,968	46%	\$13.81
8100 NE Parkway Dr	56,960	2,965	5%	\$20.00
7600 NE 41st St	72,000			
7500 NE 41st St	84,198			
4400 NE 77th Ave	95,873	7,323	8%	\$24.00
	831,458	136,490	16.4%	\$19.40