



THE LONDON GROUP
REALTY ADVISORS



SAN DIEGO



Retail Market Overview
2009



San Diego Retail Overview

Historical Retail Market Conditions

SAN DIEGO COUNTY RETAIL MARKET

Historical Year-End Statistics

Period	Total Inventory	Occupied S.F.	Net Absorption	Vacancy Rate	Construction S.F.	Gross Absorption	Cum. Absorp.	Avg. Rents	Change in Rent	% Change
1999	129,390,178	125,857,614	(561,891)	2.7%	94,415	2,326,250	(561,891)	\$1.11		
2000	132,297,839	128,371,119	2,513,505	3.0%	2,907,661	6,183,051	1,951,614	\$1.04	(\$0.08)	-7.32%
2001	133,381,641	128,641,065	269,946	3.6%	1,083,802	4,464,704	2,221,560	\$1.29	\$0.26	19.74%
2002	134,653,414	130,042,526	1,401,461	3.4%	1,271,773	5,381,755	3,623,021	\$1.77	\$0.48	27.20%
2003	136,443,220	132,003,897	1,961,371	3.3%	1,789,806	5,461,754	5,584,392	\$1.68	(\$0.09)	-5.45%
2004	138,400,962	134,080,715	2,076,818	3.1%	1,957,742	5,838,718	7,661,210	\$1.74	\$0.06	3.30%
2005	139,699,326	134,755,305	674,590	3.5%	1,298,364	4,313,226	8,335,800	\$1.83	\$0.09	4.66%
2006	141,723,017	136,620,323	1,865,018	3.6%	2,023,691	5,803,738	10,200,818	\$2.07	\$0.25	11.91%
2007	143,101,229	138,754,617	2,134,294	3.0%	1,378,212	5,955,999	12,335,112	\$2.09	\$0.02	1.04%
2008	143,797,451	138,503,434	(251,183)	3.7%	696,222	4,342,610	12,083,929	\$2.09	(\$0.00)	-0.24%
2009 QTD	144,428,642	136,834,589	(1,668,845)	5.3%	631,191	4,003,645	10,415,084	\$1.93	(\$0.15)	-7.97%



San Diego Retail Overview

Historical Retail Conditions by Submarket

SAN DIEGO COUNTY RETAIL SUBMARKETS

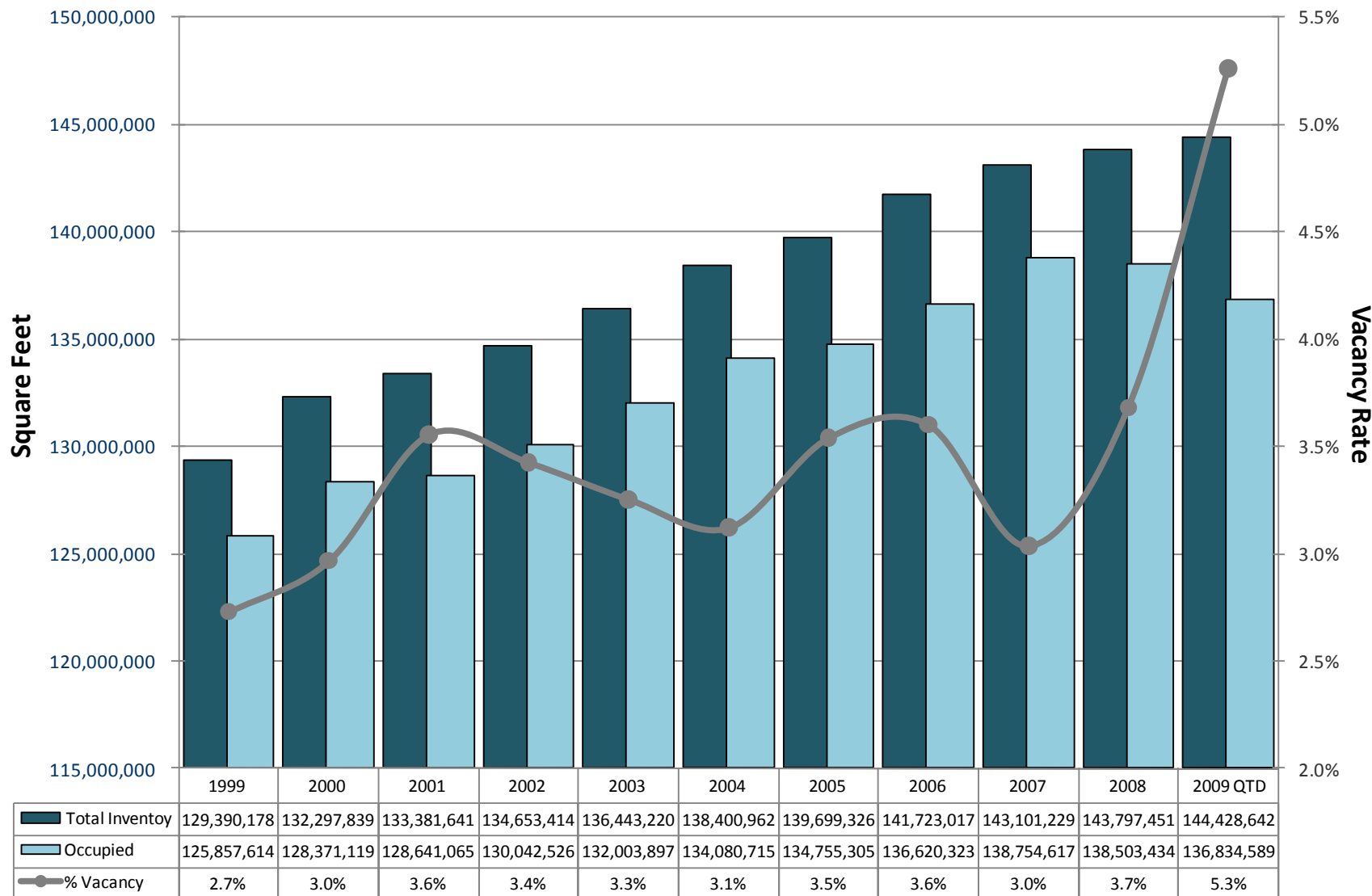
Historical Year-End Statistics - 2009 QTD

Market	Total Inventory	Occupied S.F.	Total Vacant	Vacancy Rate	Avg. Rents
Central Suburban	34,214,708	32,493,792	1,720,916	5.0%	\$1.86
Downtown	7,262,976	6,820,737	442,239	6.1%	\$2.75
Hwy-78 Corridor	17,277,941	15,943,950	1,333,991	7.7%	\$1.82
I-15 Corridor	17,798,318	16,808,486	989,832	5.6%	\$2.01
North Cities	9,839,062	9,407,739	431,323	4.4%	\$2.58
North County West	14,605,750	13,984,195	621,555	4.3%	\$2.27
South/Southeast Corridor	38,099,687	36,213,721	1,885,966	5.0%	\$1.67



San Diego Retail Overview

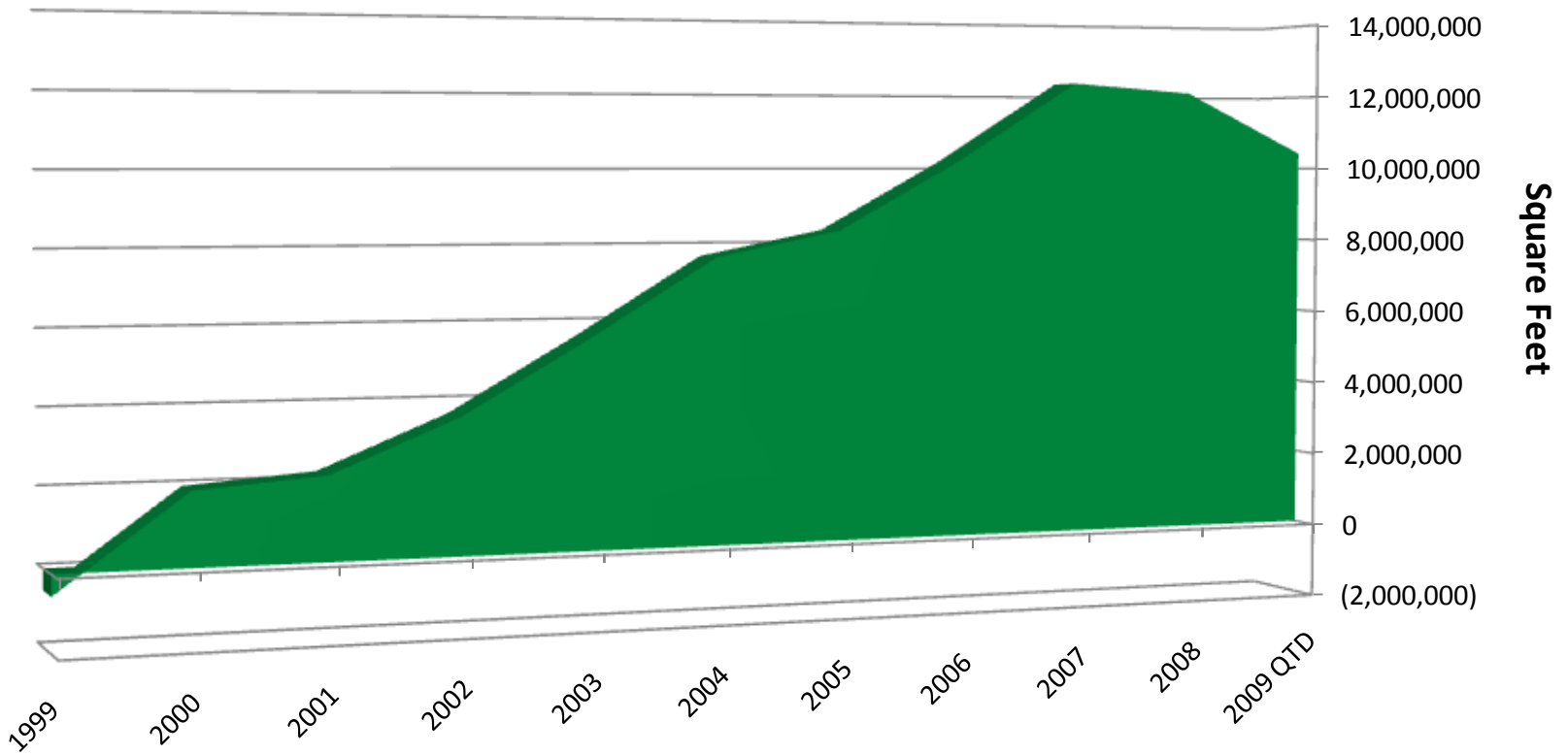
Historic Inventory, Occupancy & Vacancy Rates





Historic Retail Growth

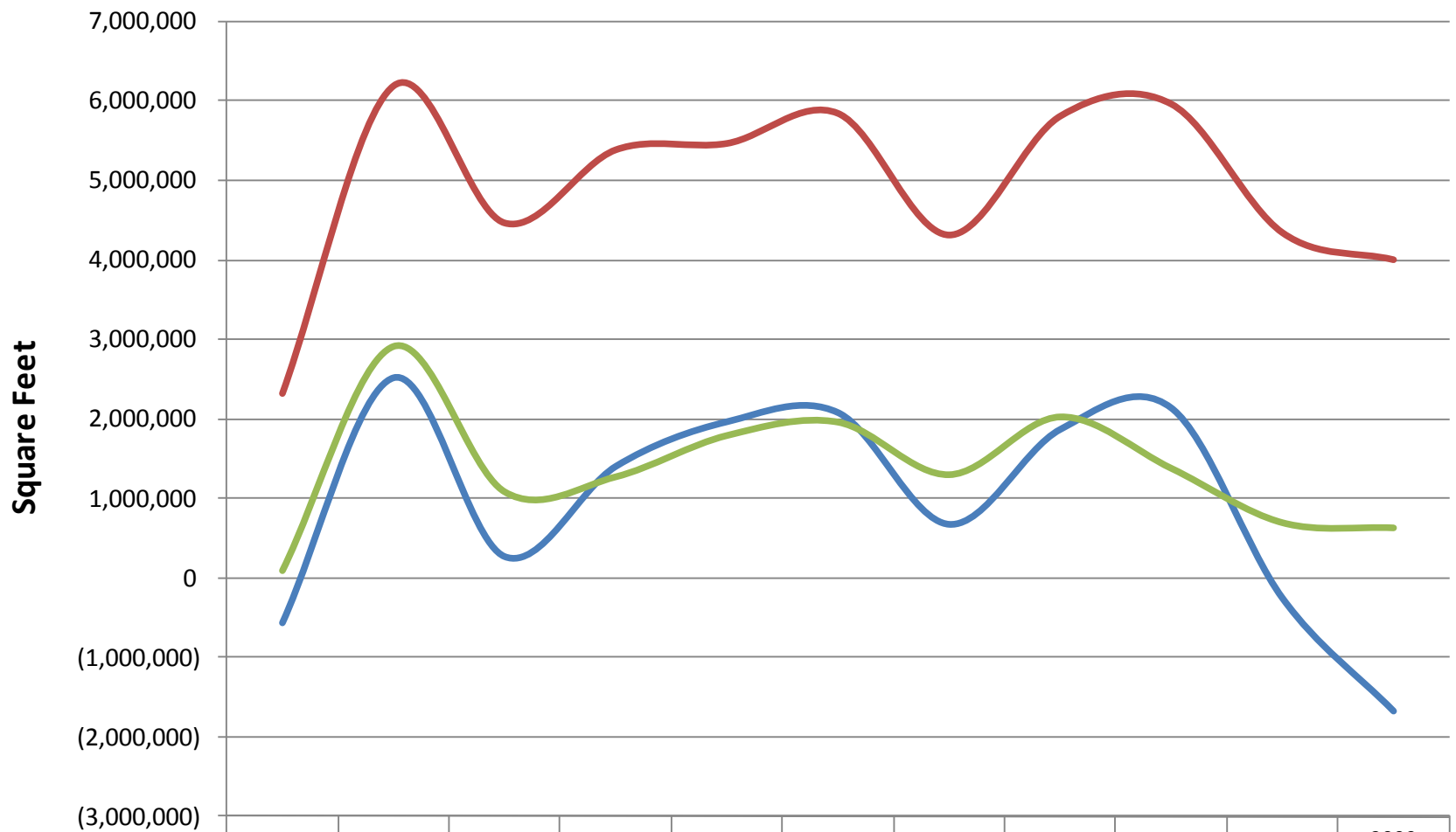
Cumulative Absorption, 1999 – 2009 QTD





San Diego Retail Overview

Historic Construction and Absorption

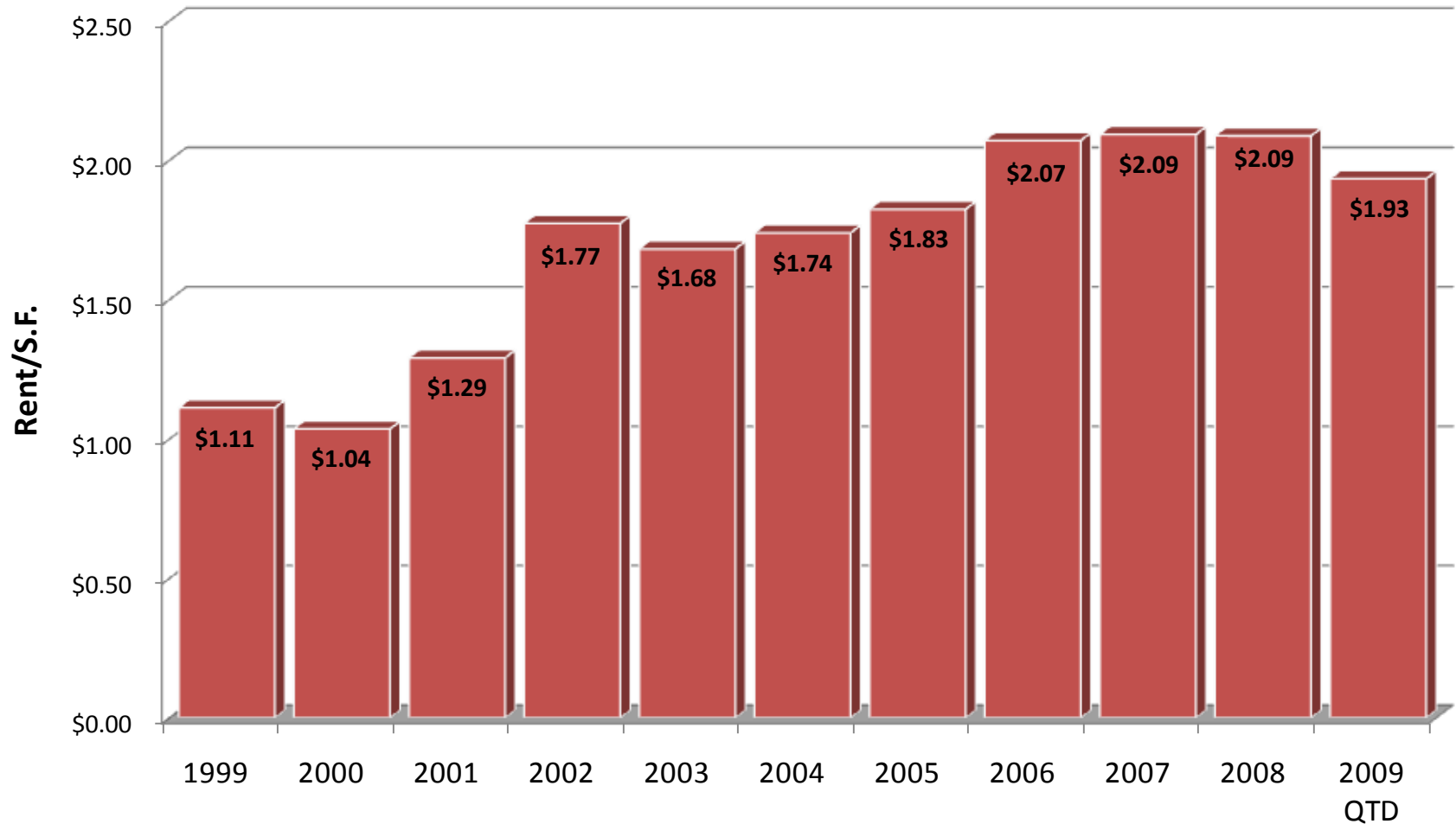


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 QTD
Net Absorption	(561,891)	2,513,505	269,946	1,401,461	1,961,371	2,076,818	674,590	1,865,018	2,134,294	(251,183)	(1,668,844)
Gross Absorption	2,326,250	6,183,051	4,464,704	5,381,755	5,461,754	5,838,718	4,313,226	5,803,738	5,955,999	4,342,610	4,003,645
Construction S.F.	94,415	2,907,661	1,083,802	1,271,773	1,789,806	1,957,742	1,298,364	2,023,691	1,378,212	696,222	631,191



Historical Retail Rental Rates

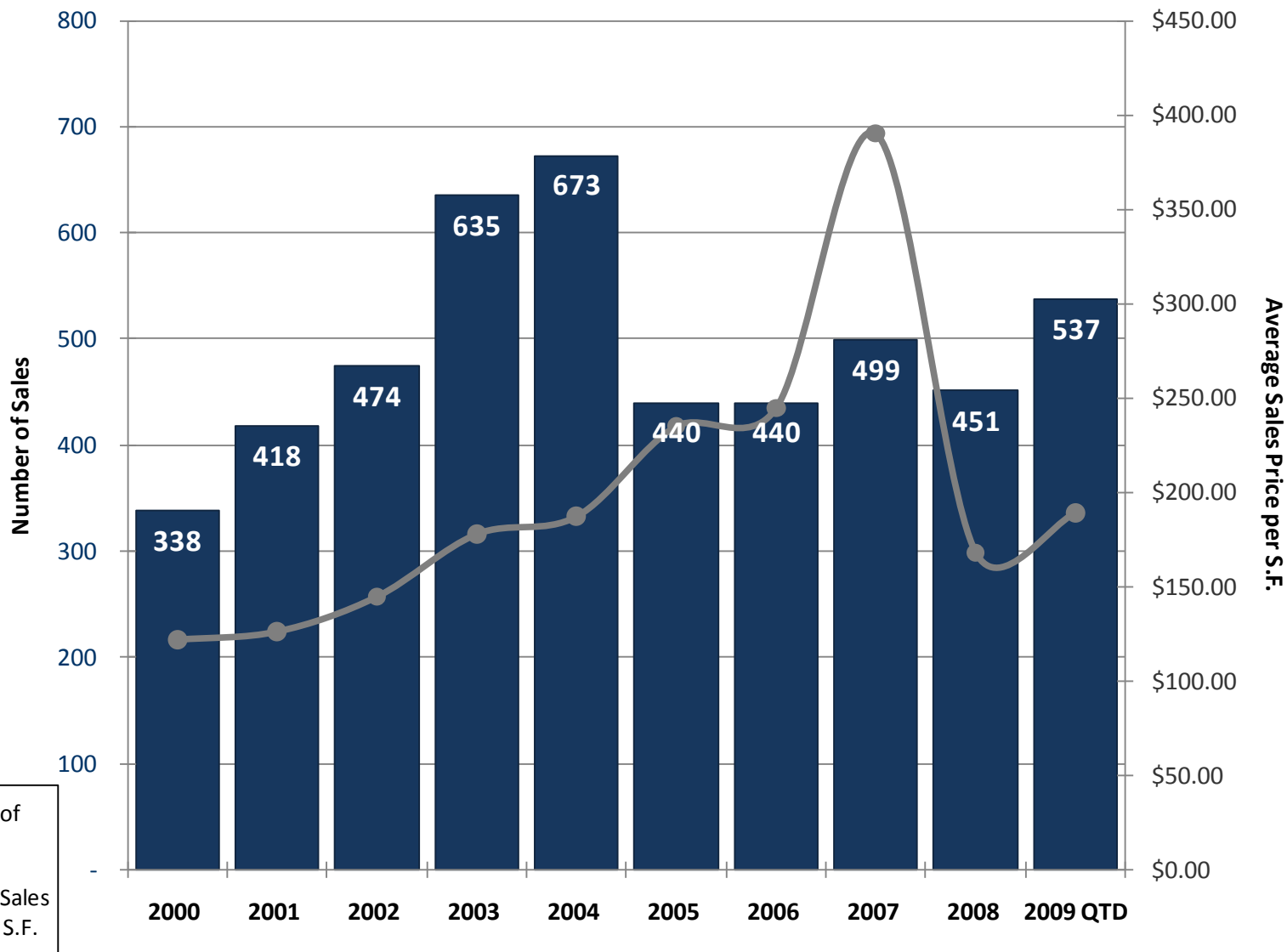
Average Rents per Square Foot





San Diego Retail Transactions

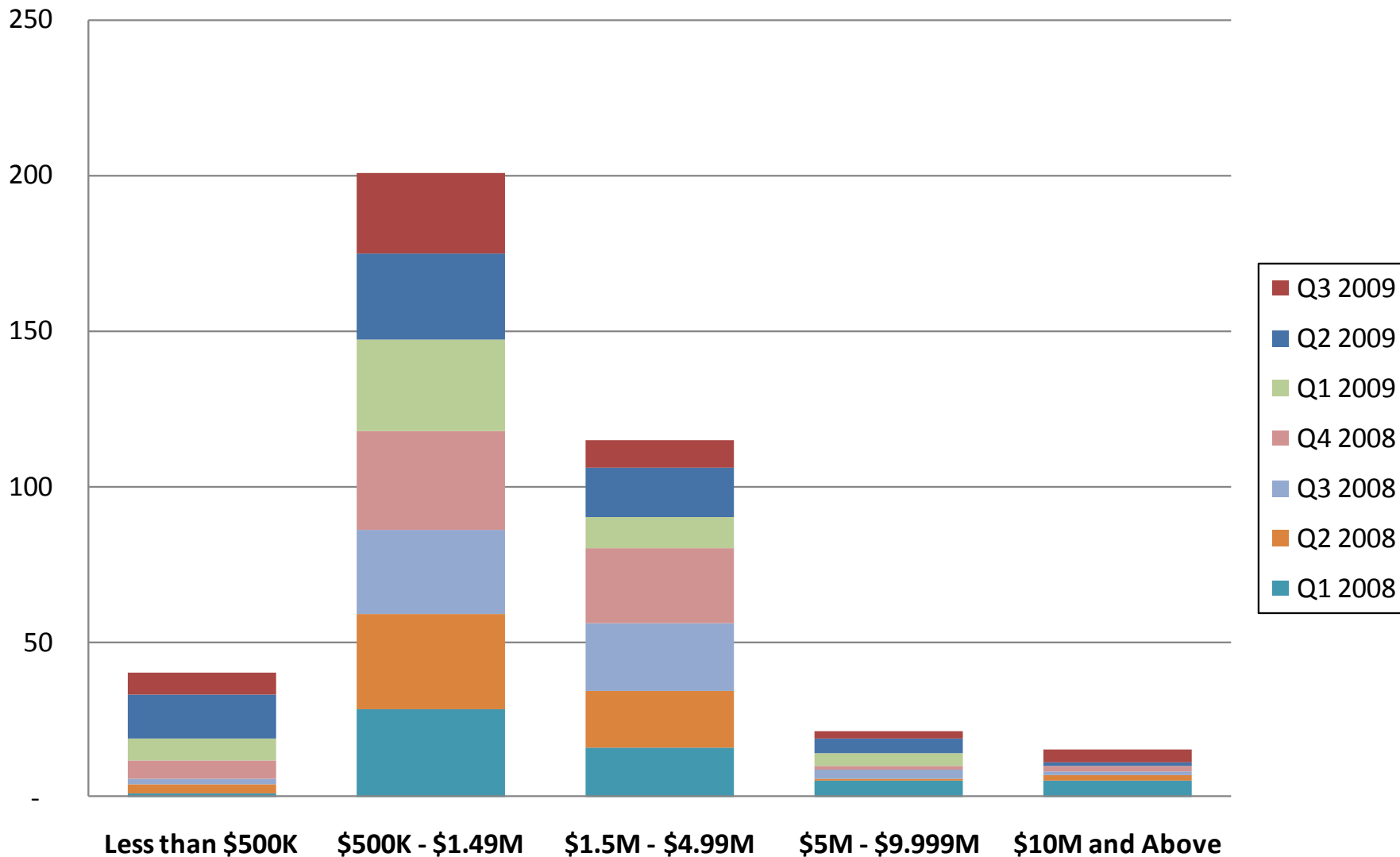
Total Number of Sales & Average Sales Price per Square Foot





San Diego Retail Transactions

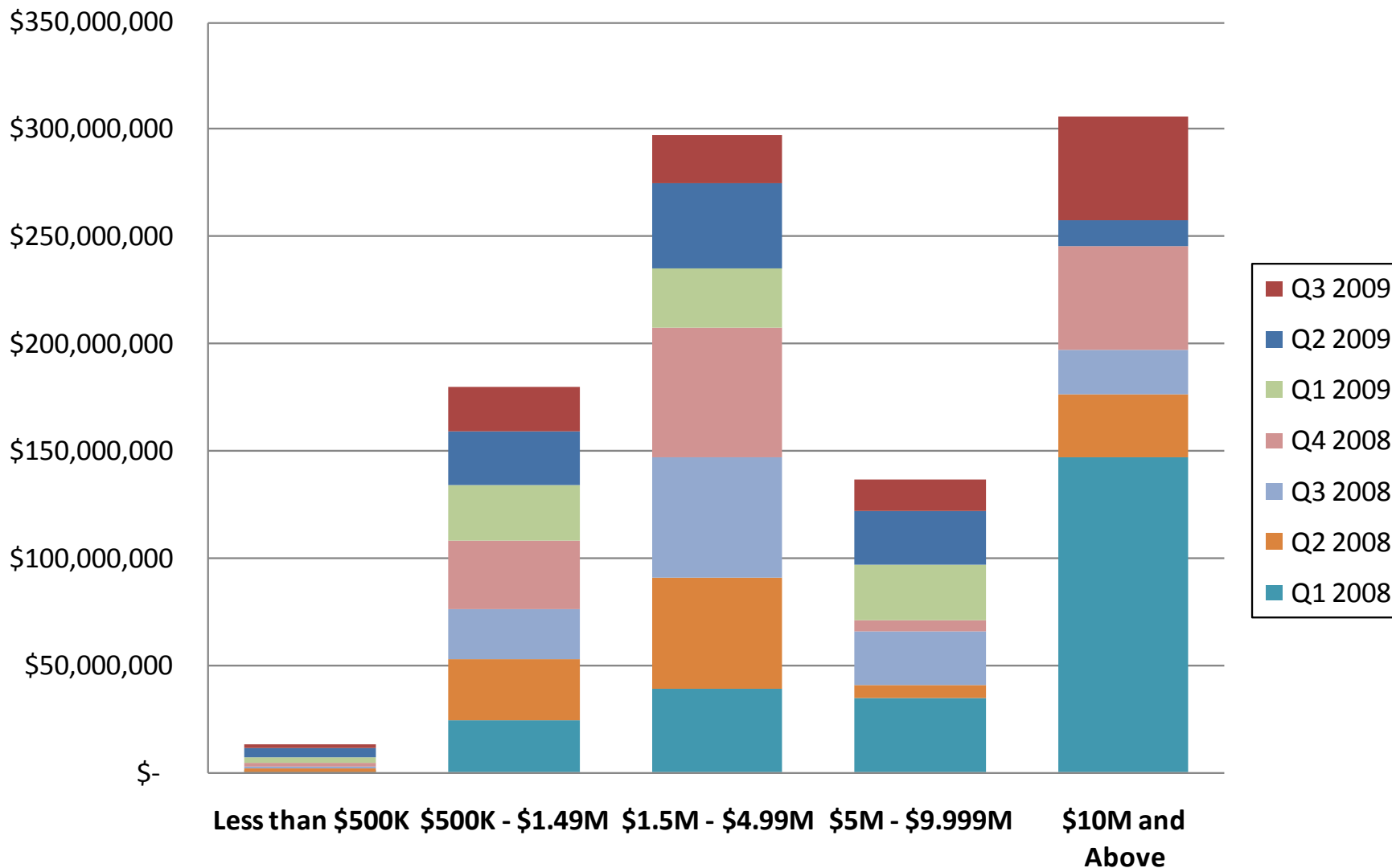
Retail Number of Sales by Quarter





San Diego Retail Transactions

Retail Dollar Sales Volume by Quarter



The logo for The London Group Realty Advisors. It features the company name in a serif font, with 'THE LONDON GROUP' in a larger, bold font and 'REALTY ADVISORS' in a smaller font below it. The text is set against a white background with a faint, stylized 'L' and 'G' watermark. The entire logo is enclosed in a rounded rectangular border with a yellow and green gradient.

THE LONDON GROUP
REALTY ADVISORS

Providing strategic vision, analysis, capital and deal access to developers, investors, lenders, attorneys and public agencies for over 25 years

**We are analysts...and deal packagers.
We study projects...then we find the capital.
We provide strategies, in new opportunities and in distress.**

We answer these questions:

- What is the salvageable value of your real property assets?
- What is a defensible strategy to take your property out of distress?
- What type of project should we invest in at the market bottom?
- Where should we concentrate our financial resources and development efforts?
- Where are the opportunities?
- How do we access capital?



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