



THE LONDON GROUP
REALTY ADVISORS



SAN DIEGO



Industrial Market Overview

2009



San Diego Industrial Overview

Historical Industrial Market Conditions

SAN DIEGO COUNTY INDUSTRIAL 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	144,736,750	135,830,626	574,299	6.2%	4,170,967	6,592,195	574,299	\$0.57		
2000	147,366,913	138,083,167	2,252,541	6.3%	2,630,163	15,054,213	2,826,840	\$0.61	\$0.04	5.77%
2001	150,427,783	141,904,237	3,821,070	5.7%	3,060,870	12,330,165	6,647,910	\$0.63	\$0.02	2.93%
2002	152,327,546	143,081,750	1,177,513	6.1%	1,899,763	10,926,514	7,825,423	\$0.62	(\$0.00)	-0.54%
2003	154,848,455	145,662,536	2,580,786	5.9%	2,520,909	11,678,392	10,406,209	\$0.63	\$0.01	1.32%
2004	157,487,187	148,201,833	2,539,297	5.9%	2,638,732	12,936,322	12,945,506	\$0.67	\$0.04	5.62%
2005	159,741,701	150,657,055	2,455,222	5.7%	2,254,514	12,646,973	15,400,728	\$0.72	\$0.06	7.61%
2006	162,534,673	153,910,205	3,253,150	5.3%	2,792,972	11,880,433	18,653,878	\$0.74	\$0.02	2.80%
2007	164,834,013	155,717,647	1,807,442	5.5%	2,299,340	9,653,945	20,461,320	\$0.77	\$0.03	3.78%
2008	165,489,679	154,745,820	(971,827)	6.5%	655,666	8,570,605	19,489,493	\$0.76	(\$0.01)	-1.20%
2009 QTD	166,295,582	151,972,678	(2,773,142)	8.6%	805,903	7,692,753	16,716,351	\$0.70	(\$0.07)	-9.70%



San Diego Industrial Overview

Historical Industrial Conditions by Submarket

SAN DIEGO COUNTY INDUSTRIAL SUBMARKETS

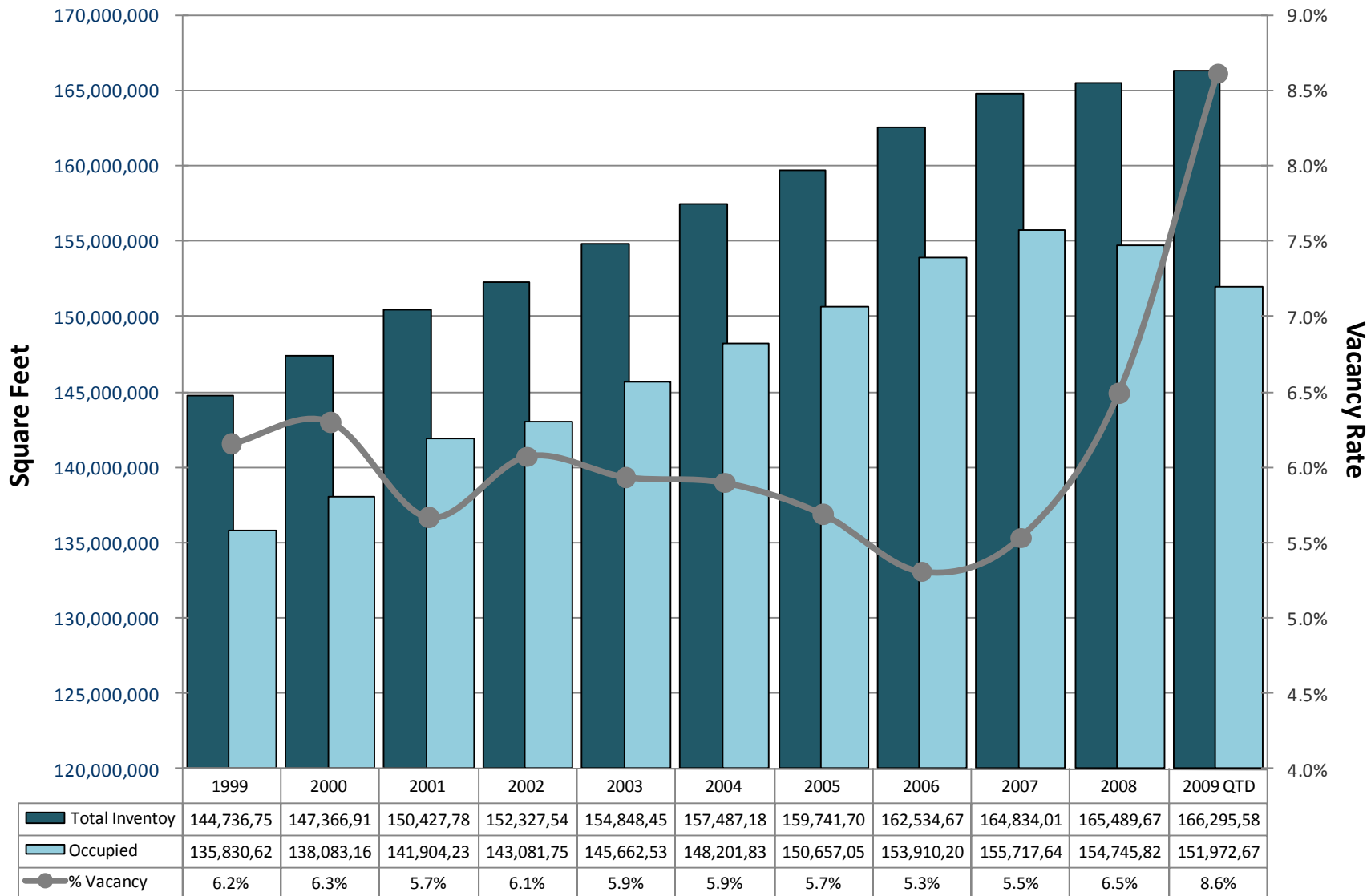
Historical Year-End Statistics - 2009 QTD

Market	Total Inventory	Occupied S.F.	Total Vacant	Vacancy Rate	Avg. Rents
Central/Central Suburban	24,158,276	23,219,067	939,209	3.9%	\$0.90
East County	2,640,185	2,484,149	156,036	5.9%	\$0.86
Hwy-78 Corridor	31,312,453	28,542,594	2,769,859	8.8%	\$0.69
I-15 Corridor	18,909,561	17,466,578	1,442,983	7.6%	\$0.75
North Cities	19,757,964	18,113,577	1,644,387	8.3%	\$0.78
North County West	10,345,715	9,365,619	980,096	9.5%	\$0.93
South Bay	53,715,216	48,208,544	5,506,672	10.3%	\$0.54



San Diego Industrial Overview

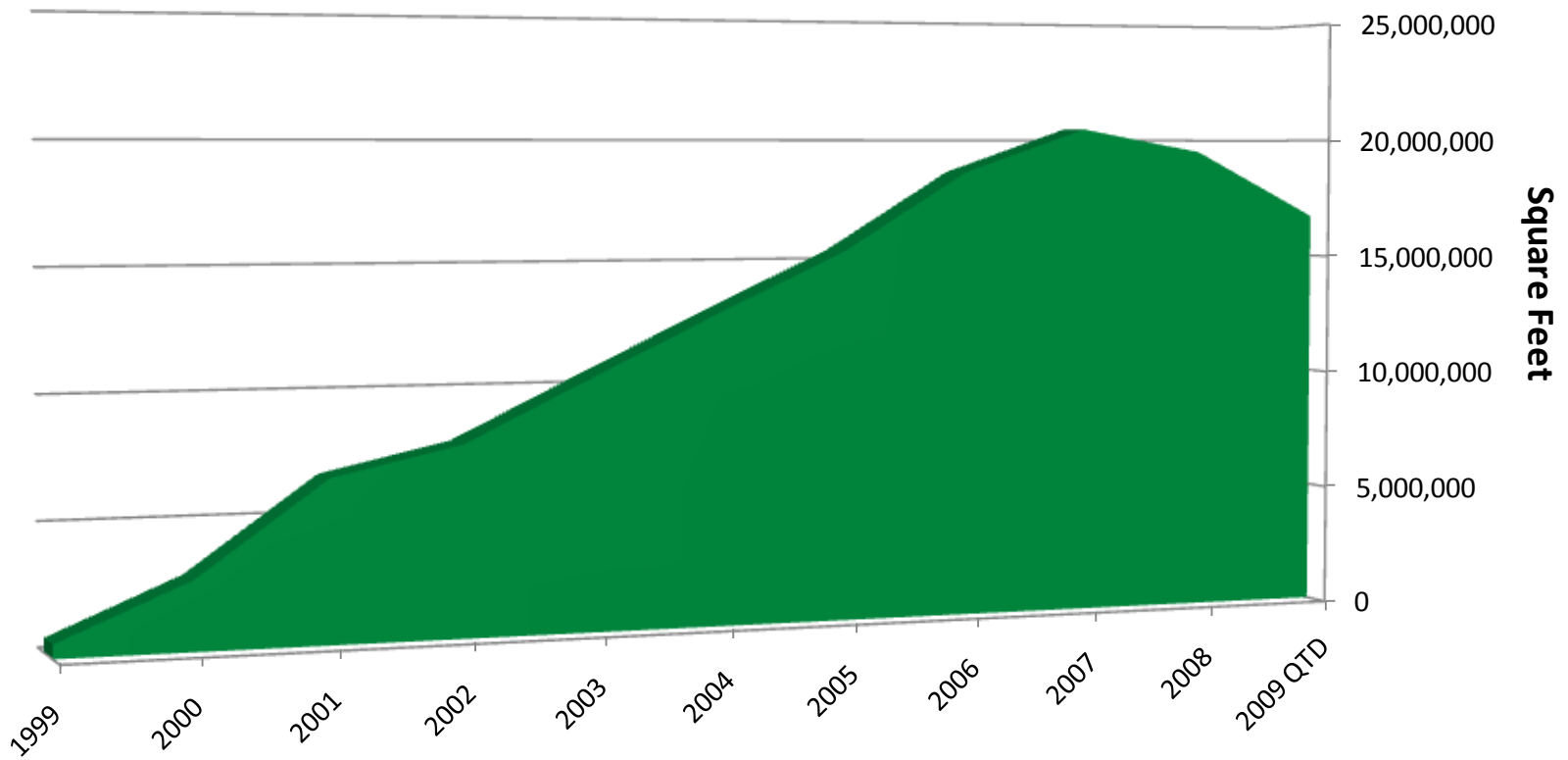
Historic Inventory, Occupancy & Vacancy Rates





Historic Industrial Growth

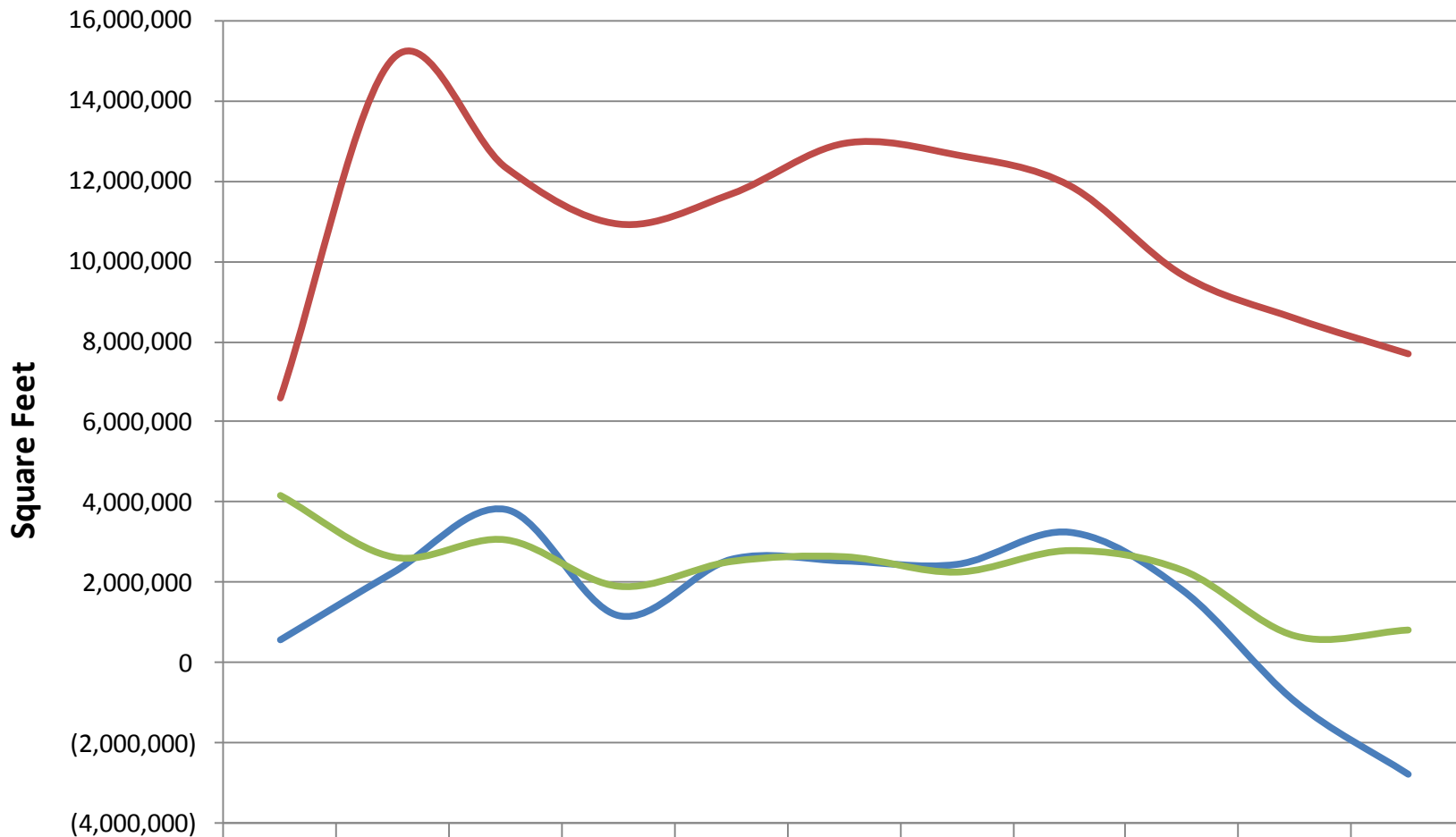
Cumulative Absorption, 1999 – 2009 QTD





San Diego Industrial Overview

Historic Construction and Absorption

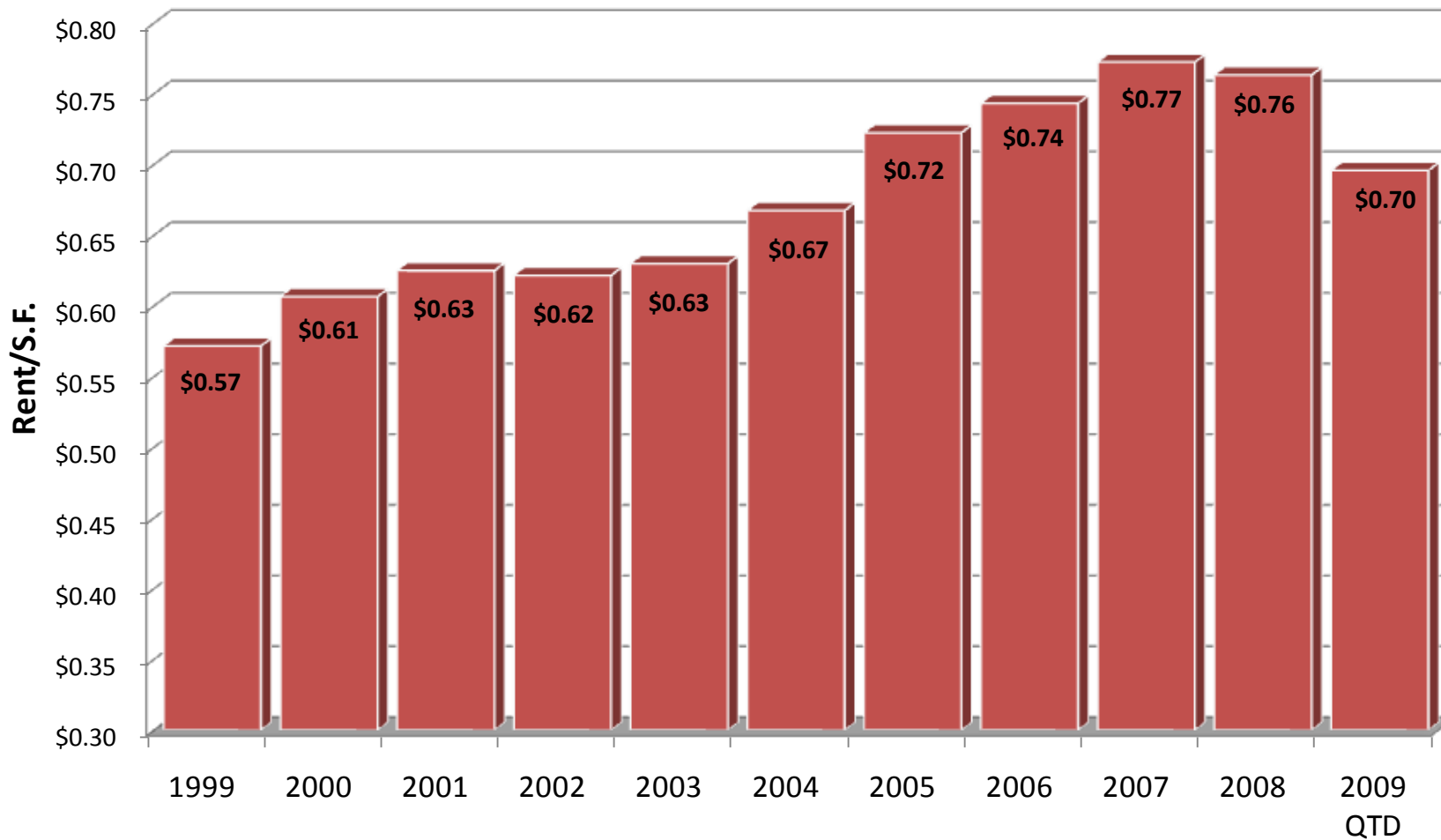


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 QTD
Net Absorption	574,299	2,252,541	3,821,070	1,177,513	2,580,786	2,539,297	2,455,222	3,253,150	1,807,442	(971,827)	(2,773,14
Gross Absorption	6,592,195	15,054,21	12,330,16	10,926,51	11,678,39	12,936,32	12,646,97	11,880,43	9,653,945	8,570,605	7,692,753
Construction S.F.	4,170,967	2,630,163	3,060,870	1,899,763	2,520,909	2,638,732	2,254,514	2,792,972	2,299,340	655,666	805,903



Historical Industrial Rental Rates

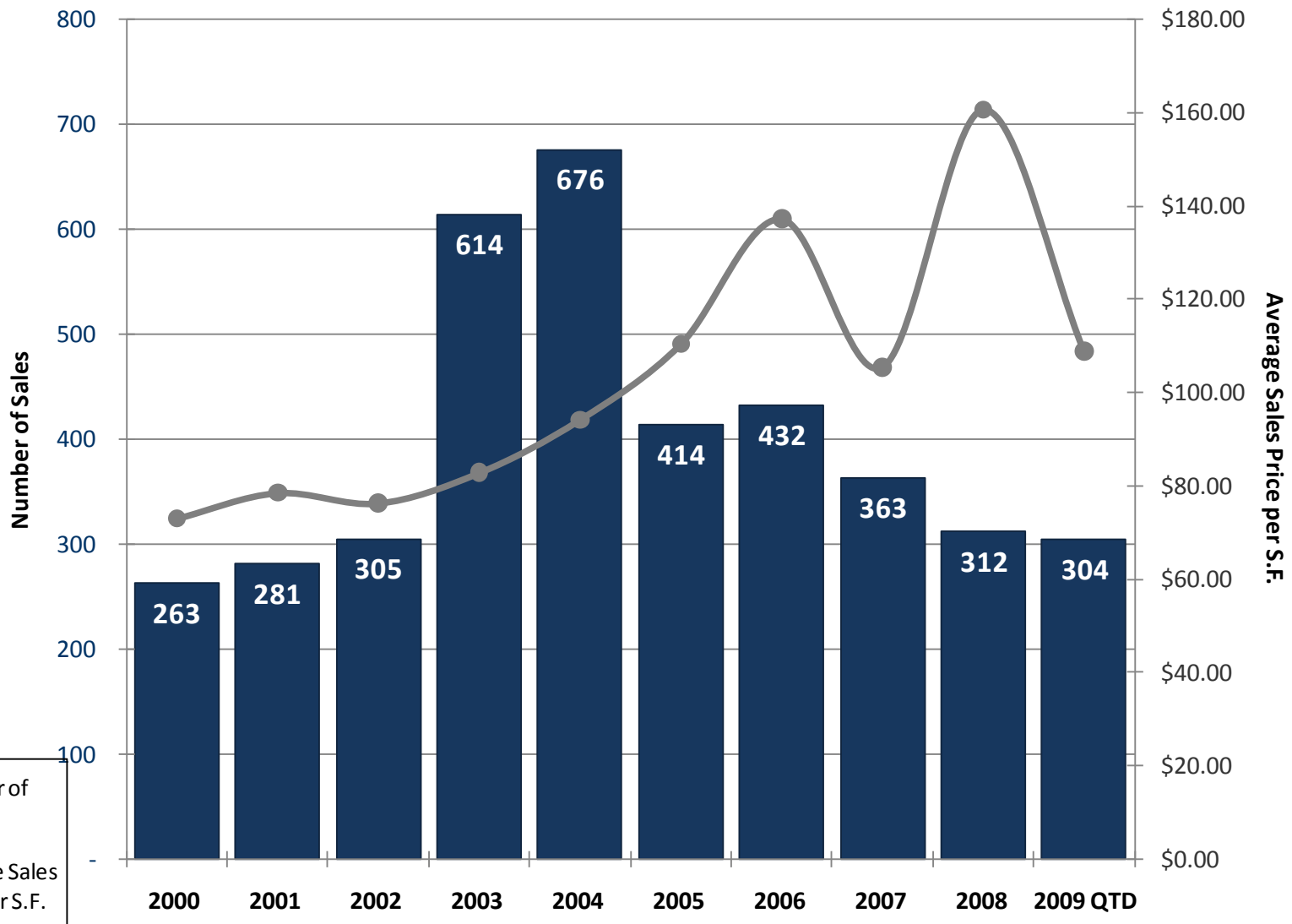
Average Rents per Square Foot





San Diego Industrial Transactions

Total Number of Sales & Average Sales Price per Square Foot





San Diego Industrial Transactions

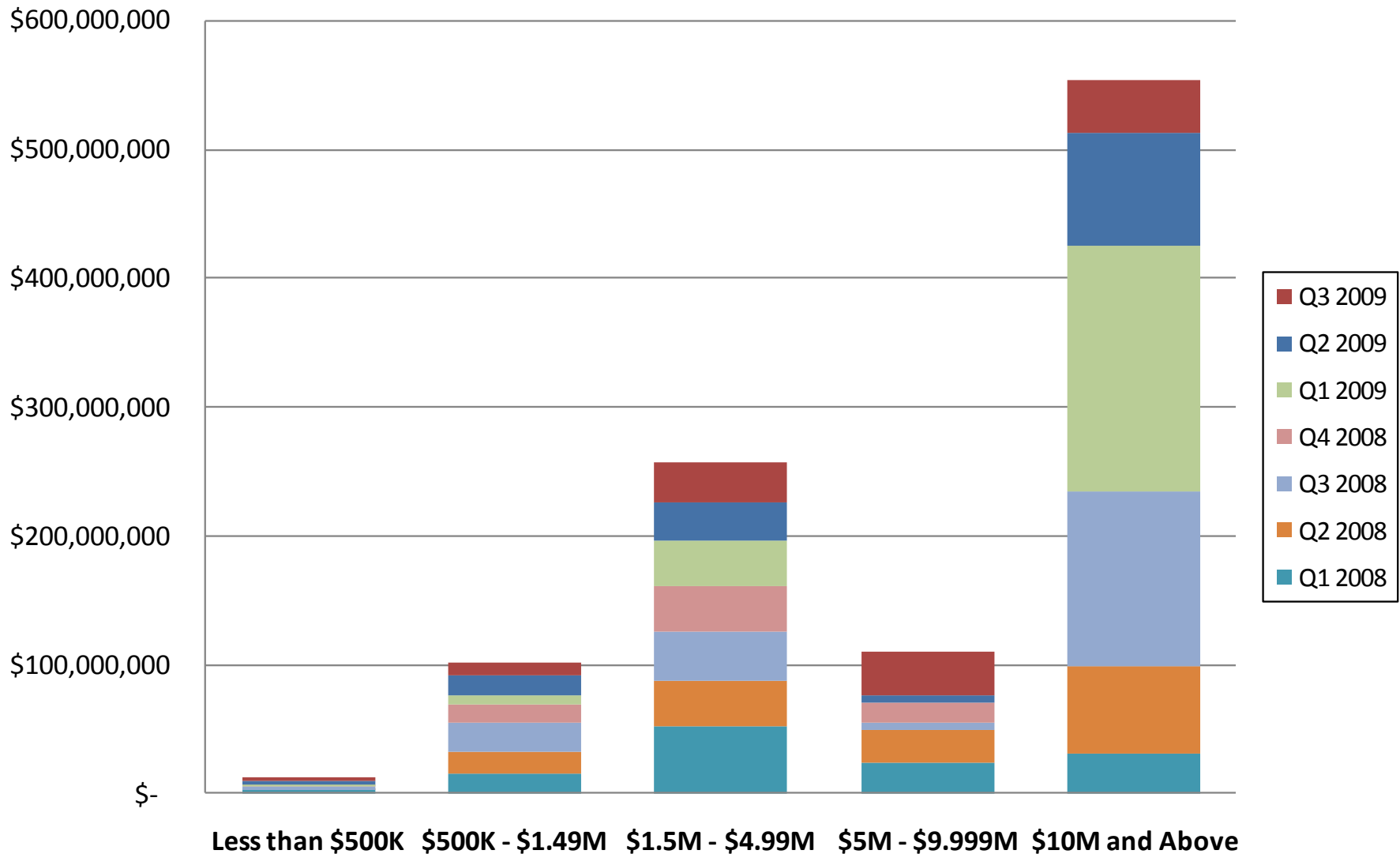
Industrial Number of Sales by Quarter





San Diego Industrial Transactions

Industrial Dollar Sales Volume by Quarter



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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