

LOCATION CHART

The charts below depict vacancies for specific submarkets as delineated on the map in this report.

Route 1 The vacancy rate is 19.36%, basically flat from last half. Rents have lowered in this sector by 5-10%, depending on the building. Carnegie Center, one of the most premier office parks in NJ, has generally kept their rents elevated. This is a strategy that may lead to higher vacancy as companies seek ways to lower overhead. Carnegie Center's overall vacancy is only 10%.

SECTION 2 - Downtown Princeton - Unique office market.

Companies are Venture Capitalists, Hedge Fund Investors, smaller law firms and Princeton University. Construction is limited to tearing down buildings or renovating existing structures. Sales prices are surpassing \$350-400 per square foot with cap rates of 6-7%. The vacancy rate has risen to 6.95%, with rents averaging \$41-42/SF, plus parking fees at Palmer Square.

SECTION 3 - Route 206 - Localized office market to the northwest of Princeton.

This market is affected by high traffic on route 206, a single lane north/south road. The vacancy also lowered due to Johnson & Johnson leasing over 100,000 sq ft. last half of 2008 and 50,000 sq ft in the first half of the year, at 23 Orchard Road. The University Medical Center of Princeton's relocation to the old FMC site in Plainsboro may shift a greater sector of the medical community out of Princeton, although there may be a time period where large practices will operate with two locations attempting to open up new market share.

SECTION 4 - Ewing, Lawrenceville:

The vacancy rate has risen moderately, to 23.86%, due to subleasing increasing in The Princeton Pike Corporate Center. The recent acquisition of 195 Corporate Center creates an energetic new owner that will be motivated to lease space at aggressive rents. The other notable lease transactions were Meditech, Vantage Communications and Sensing Strategies, for a total of 73,000 square feet, completed in the first half of 2009.

SECTION 5 - Cranbury:

This market is experiencing lowering rents, as the vacancy remains elevated for the last two years. The vacancy rate is approximately 31%, with most of this vacancy in space caused by the lab market. A notable event is the lease up of 1249 Cranbury S. River Road, finishing a 100,000 square foot speculative building delivered in 2007. The former Aetna building contains 500,000 square feet and has an asking rent of \$4.95 /SF, plus all operating expenses, establishing it as one of the least expensive large buildings in New Jersey. Overall access to the NJ turnpike offers companies excellent recruitment for employees from as far away as New York or South Jersey. Biotech companies, Associations, sales offices, medical practices and/or company headquarters will benefit from this location.

SECTION 6 - Southern Hamilton

Vacancy rates increased to 19.86% due to new construction, with Opus finishing 120,000 sq ft. of new speculative office space, and the State relocating from Horizon Center to Trenton. The Opus project will be one to watch as this owner have had some serious falterers across the country.

The vacancy since 1998 has ranged according to the following:

	Year	Vacancy Rate %	Rent Range \$
SECTION 1	1998	2.62	24-31
	1999	13.72	26-31
	2000	6.68	27-34
	2001	12.93	25-34
	2002	18.84	19.5-31
	2003	20.66	18-31
	2004	18.72	17.5-30
	2005	20.97	17.5-32
	2006	24.52	20-33
	2007	19.59	22-31
SECTION 2	2008	19.20	20-33
	2009	19.36	18-32.5
	1998	2.94	19.5-30
	1999	1.94	20-33
	2000	1.00	25-36
	2001	6.45	28-36
	2002	4.03	25-38
	2003	2.69	25-37
	2004	10.87	26-36
	2005	6.60	26-33
SECTION 3	2006	2.5	26-40
	2007	3.26	26-45
	2008	3.95	28-45
	2009	6.33	22-42
	1998	1.819	12.5-20
	1999	1.5	14-22
	2000	1.00	15-23.5
	2001	11.0	16-26.5
	2002	9.59	16-25
	2003	20.72	16-22
SECTION 4	2004	20.60	17-21.5
	2005	33.73	16-22
	2006	33	16-22
	2007	35	16-21
	2008	27	16-22
	2009	17.13	16-21
	1998	8.025	19.5-24
	1999	5.98	16.5-25
	2000	11.65	17-27
	2001	24.56	18-28
2002	22.15	19-22	
SECTION 5	2003	12.11	19-26
	2004	14.00	17-27.5
	2005	20.90	18-27
	2006	24.7	18-30
	2007	26	20-30
	2008	22.95	20-30
	2009	23.86	20-30
	1998	13.3	17-21.75
	1999	24.58	16-21
	2000	18.05	16-22
SECTION 6	2001	14.64	16-24
	2002	19.06	19.5-25
	2003	16.25	15-22
	2004	14.90	16-23.5
	2005	18.67	17-25
	2006	18.49	17-25
	2007	26	14-23.5
	2008	30.00	15-23.5
	2009	31.0	17-23

Vacancy Rate Per Section

