



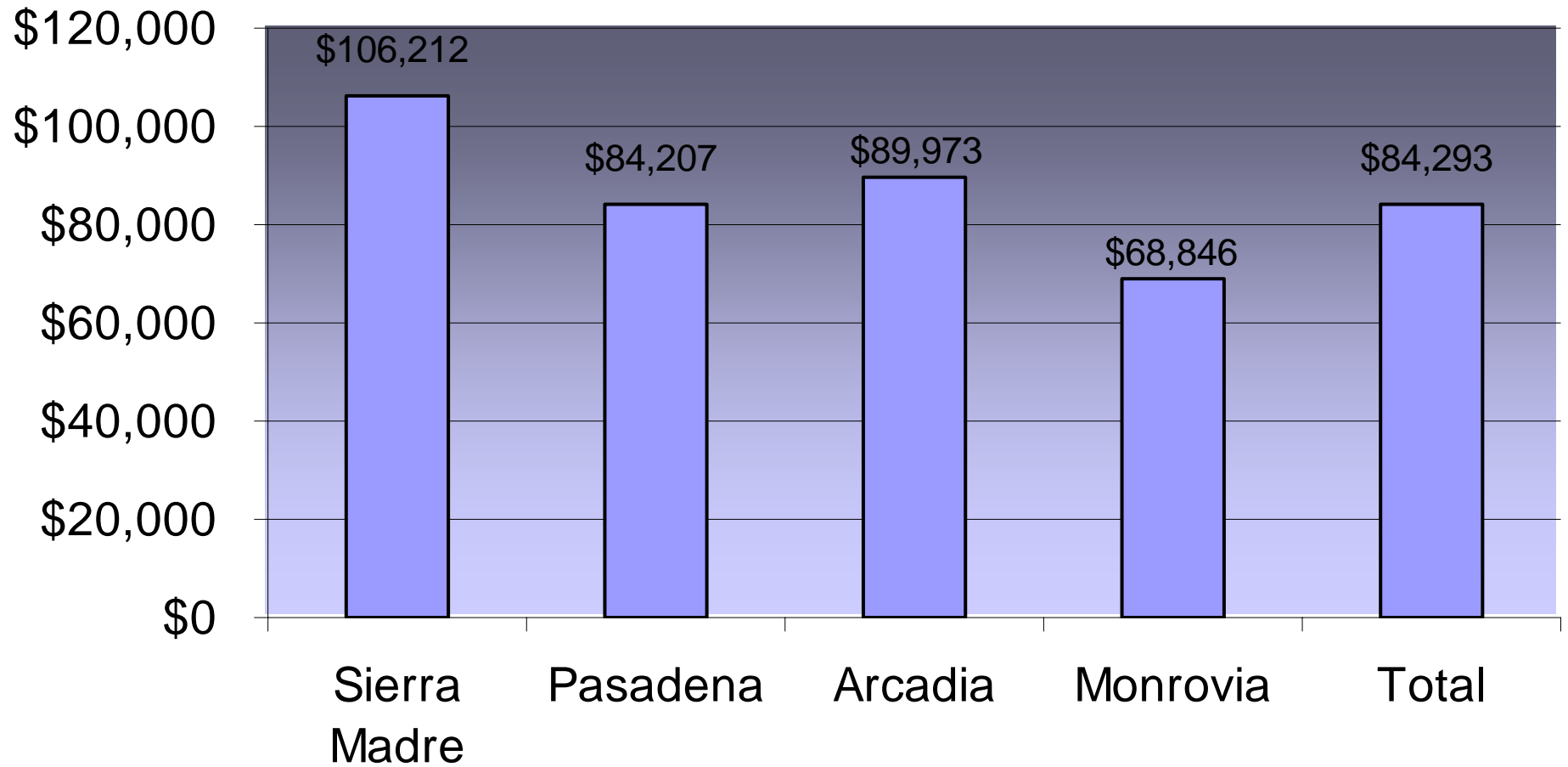
Sierra Madre's Downtown Marketplace
MARKET AREA DEMOGRAPHICS

(IN 2005 Dollars)

Type of Business	Sierra Madre	Pasadena	Arcadia	Monrovia	Total	SM as % of Total
Population (DOF 2004)	11,500	144,000	55,900	38,800	249,750	4%
Employment (SCAG 2005)	3,805	95,772	24,476	22,587	146,642	3%
Number of Households	4,756	51,844	19,149	13,502	89,251	5%
Aggregate HH Income	\$505,145,084	\$4,365,622,726	\$1,722,888,078	\$929,557,416	\$7,523,213,306	7%
Average HH Income	\$106,212	\$84,207	\$89,846	\$68,846	\$84,293	
Taxable Retail Sales Per Capita	\$1,346	\$13,899	\$11,211	\$16,239	\$13,105	
Non-Retail Sales Per Employee	\$1,725	\$9,453	\$4,737	\$6,159	\$7,958	



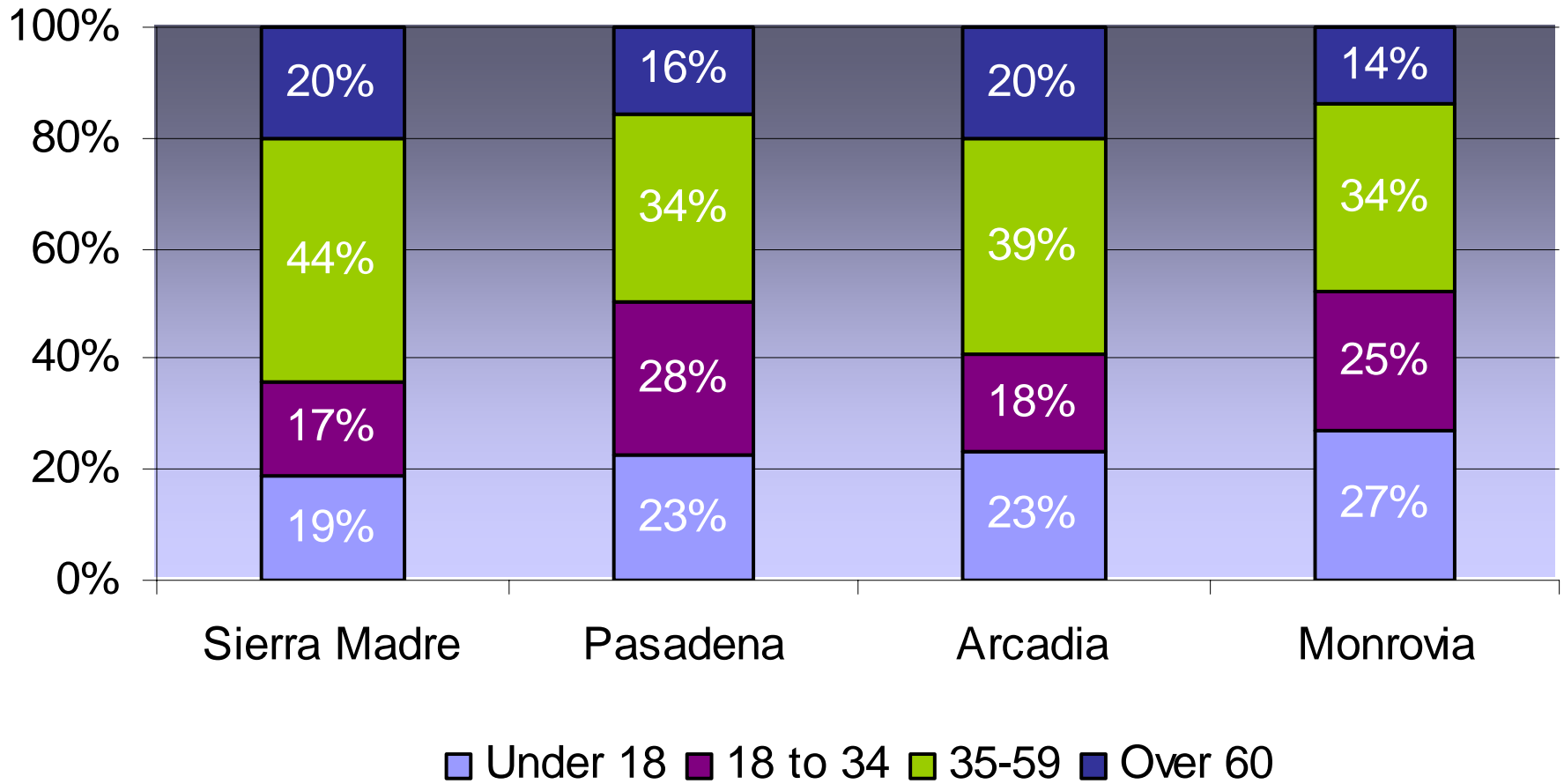
Sierra Madre's Downtown Marketplace
AVERAGE HOUSEHOLD INCOME





Sierra Madre's Downtown Marketplace AGE DISTRIBUTION

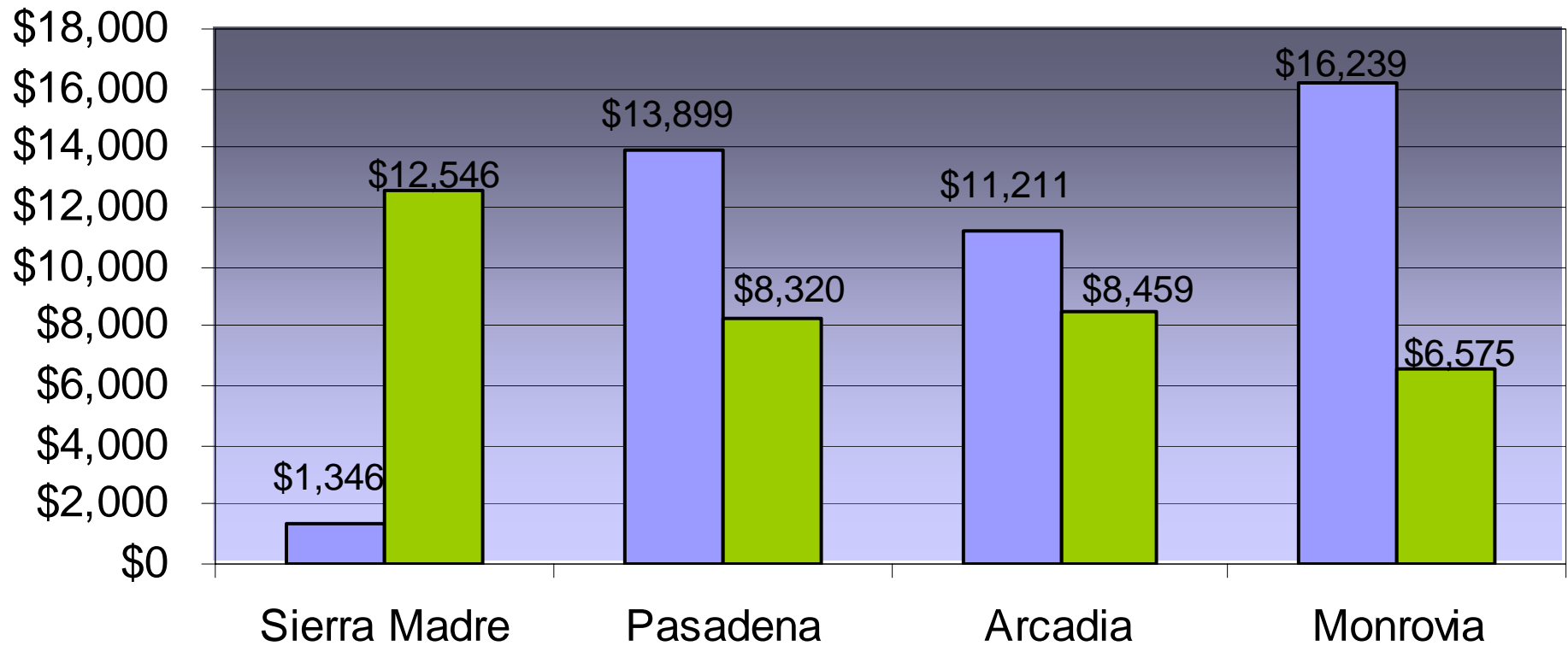
Sierra Madre median age: 42.6





Sierra Madre's Downtown Marketplace
CAPTURING THE RETAIL MARKET

■ Taxable Retail Sales per Capita ■ Taxable Expenditures per Capita





Sierra Madre's Downtown Marketplace
POTENTIAL DOWNTOWN ECONOMIC ACTIVITIES

Community workshops for Land Use and Architecture result in the following preferred land uses:

RETAIL

- Open air stores
- Large retail spaces
- Youth oriented businesses
- Music store
- Bird specialty store
- Boutique stores (clothing & shoes)
- Trader Joe's
- Seafood market
- Specialty grocery
- Mountain and Bike sporting goods store
- Men's clothing store
- Wine & cheese store
- Plant nursery
- Computer service store
- Antiques
- Candle shop

MIXED-USE / LIVE -WORK

- Artists lofts/condos
- Lofts or studio apartments for young adults
- Retail/office space second level
- Living units 2nd story w/balconies

HOTEL BED & BREAKFAST

- Bed & breakfast
- Small Hotel / Boutique hotel

OFFICE

- Professional office ace for doctors, attorneys, engineers and architects.
- Incubator of small start-up business space
- Software and game designers

RETAIL

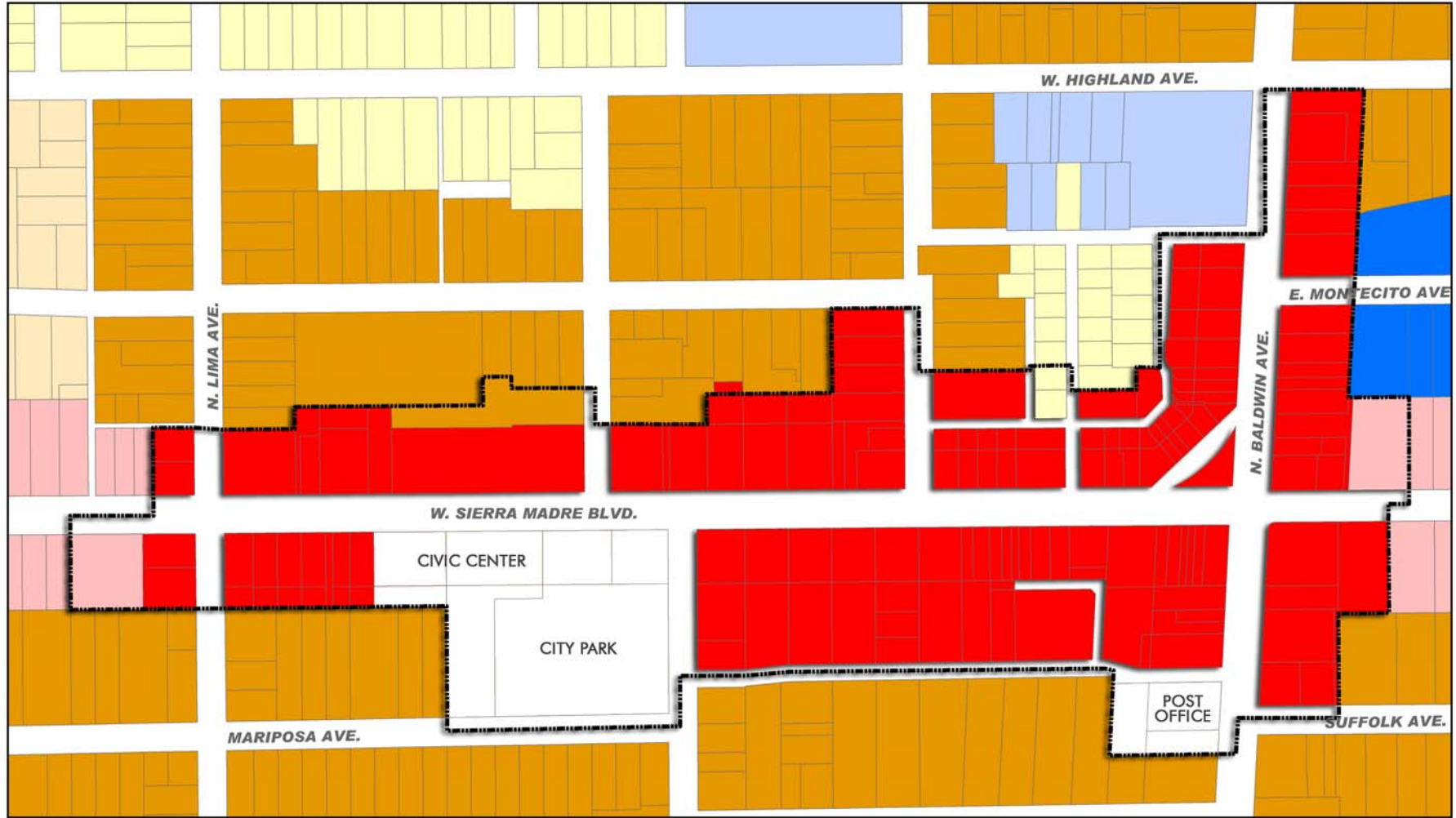
- Running and hiking supplies
- Watch store
- Fine writing instruments
- Golf store
- Music store
- Street vendor sots for rent weekly/weekend
- Florist shop w/outdoor bins
- Children's store – toys, clothes
- Artists supplies
- Bookstore / newsstand
- Stationary store
- Movie Theatre
- Candy shop
- Car repair
- Craft supply store, fine needlework, yarn store
- Classic car dealership

RESTAURANTS

- outdoor dining
- vegetarian
- upstairs restaurants
- high-end restaurants
- Deli
- Fish taco place
- Café/brewery
- Retail restaurants (gourmet deli, bistro, picnic packer)
- Coffee shops/cafes w/lots of studying space








Sierra Madre's Downtown Marketplace MAP OF CITY ZONES



Source: GIS Data, City of Sierra Madre



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RESIDENTIAL		COMMERCIAL	INDUSTRIAL	INSTITUTIONAL
 R-1	 R-2	 C-1	 M-1	 I
 R-1-9	 R-3			
 R-1-11	 R-P			
 R-1-15				
		 Downtown Master Plan Boundary		



1 INCH = 200 FEET

ZONING MAP



Sierra Madre's Downtown Marketplace
 VACANCY RATES IN THE SAN GABRIEL VALLEY

At the conclusion of the fourth quarter of 2005, the San Gabriel Valley posted the lowest vacancy rate in Los Angeles County at 5.9%.

"The Los Angeles County office market continued to experience positive trends in the fourth quarter of 2005, including decreased vacancy, increased asking rates and increased net absorption." CBRE MarketView Newsletter, Fourth Quarter.

Sub-market	Net Rentable Area SF	Vacancy Rate %	Net Absorption SF	Under Construction SF	Average Asking Lease Rate \$/SF/MTH
Tri-Cities/Glendale	24,596,212	7.3%	654,706	192,137	\$2.46
Downtown Los Angeles	30,944,417	14.6%	(69,730)	-	\$2.42
Hollywood/Wilshire Corridor	17,194,280	10.5%	(77,544)	-	\$1.84
San Fernando Valley	22,291,618	8.1%	216,804	30,138	\$2.22
San Gabriel Valley	12,605,932	5.9%	230,418	49,100	\$1.97
South Bay	27,116,801	16.5%	517,520	-	\$1.83
West Los Angeles	42,392,573	8.9%	393,541	830,708	\$2.85
Los Angeles County Total	177,141,833	10.7%	1,865,715	1,102,083	\$2.27
Ventura	8,597,286	8.7%	138,055	104,014	\$1.85
Greater Los Angeles Area Total	185,739,119	10.6%	2,003,770	1,206,097	\$2.25

Vacancy rates in Los Angeles County during the fourth quarter 2005 break down as follows:

- Class A: 10.4%
- Class B: 11.7%
- Class C: 10.7%

Overall, the San Gabriel Valley has the lowest combined vacancy at 5.9%

Construction activity in Los Angeles County declined in the final quarter of 2005 to 1.1 million SF from 1.6 million SF in the second and third quarters.

Average asking rates in Los Angeles County during the fourth quarter of 2005 break down as follows:

- Class A: \$2.41 per SF
- Class B: \$1.84 per SF
- Class C: \$2.27 per SF

Net absorption in Los Angeles County during the fourth quarter breaks down as follows:

- Class A: 1,074,088 SF
- Class B: 791,627 SF
- Class C: 1,865,715 SF



Sierra Madre's Downtown Marketplace
OFFICE OWNER/INVESTOR LARGE MARKET RATING

FORECAST	DOWNTOWN MARKETS 2005-2008 RENT GROWTH	2008 VACANCY	SUBURBAN MARKETS 2005-2008 RENT GROWTH	2008 VACANCY
Atlanta	Flat/Small Increase	16.0%	Moderate Increase	12.5%
Chicago	Flat/Small Decline	15.2%	Flat/Small Increase	15.8%
Dallas	Moderate Decline	29.1%	Moderate Decline	20.5%
Denver	Inflationary Increase	12.5%	Inflationary Increase	14.8%
Houston	Flat/Small Decline	15.0%	Flat/Small Increase	13.8%
Los Angeles	Moderate Increase	11.6%	Strong Increase	9.3%
New York	Rent Spikes	6.5%	–	–
Northern New Jersey	–	–	Inflationary Increase	13.6%
Philadelphia	Inflationary Increase	11.2%	Flat/Small Decline	15.7%
San Francisco	Rent Spikes	5.6%	Inflationary Increase	14.0%
Washington	Strong Increase	6.2%	Strong Increase	9.3%



Sierra Madre's Downtown Marketplace LOS ANGELES SPACE STATISTICS

NET ABSORPTION

SUPPLY FACTORS

	YEAR-END 2004 VACANCIES	NET ABSORPTION				END OF QUARTER STOCK	END OF QUARTER VACANCY %	SUPPLY FACTORS		
		YEAR-TO-DATE COMPLETIONS	CURRENT QUARTER	YEAR-TO-DATE	YEAR-TO-DATE % OF STOCK			END OF QUARTER VACANCY % (INCL. SUBLEASES)	2006 ESTIMATED COMPLETIONS	2007 ESTIMATED COMPLETIONS
CBD										
Bunker Hill	6.84%	0	59,763	-69,703	-0.56%	12,480,579	7.40%	9.95%	0	0
Central Business District	28.39%	0	19,937	858,018	7.34%	11,692,832	21.05%	22.93%	0	0
South Park	17.93%	0	-84,791	939,495	11.40%	8,243,736	6.54%	7.70%	0	0
CBD Market Totals	17.44%	0	-5,091	1,727,810	5.33%	32,417,147	12.11%	14.06%	0	0
Suburban										
Mid-Wilshire	12.55%	38,500	-212,340	328,378	2.50%	13,145,352	10.05%	10.77%	0	0
San Fernando Valley	10.05%	179,336	147,583	548,501	2.76%	20,087,146	8.12%	9.32%	0	0
San Gabriel Valley	8.27%	49,100	222,842	342,871	3.23%	10,618,155	5.05%	8.96%	0	0
South Bay	19.08%	0	224,169	350,524	1.60%	21,896,762	17.48%	19.60%	0	0
Tri-Cities	13.14%	80,000	193,239	861,219	5.21%	16,595,970	8.37%	9.58%	414,231	0
Westside	13.56%	0	619,184	2,561,247	7.39%	34,675,178	6.18%	7.00%	790,000	0
Suburban Market Totals	13.34%	346,936	1,194,677	4,992,740	4.27%	117,018,563	9.27%	10.72%	1,204,231	0
Market Totals	14.41%	346,936	1,189,586	6,720,550	4.51%	149,435,710	9.88%	11.45%	1,204,231	0



Sierra Madre's Downtown Marketplace
SAN GABRIEL VALLEY REAL ESTATE AND DEVELOPMENT REFERENCES

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John Alle Company
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Mr. William Urapina
CBRE
818-502-6700