RICHARD BOWERS & CO. FIRST QUARTER 2008

MARKET REPORT

"...given current economic conditions, outstanding opportunities remain throughout all submarkets." - **RICHARD BOWERS, SIOR**

The Richard Bowers & Co. First Quarter Office Market Report reflects an ongoing positive outlook despite serious economic concerns in oil and food price increases, money markets, financing of residential real estate and retail real estate sales. First quarter absorption was 376,152 square feet. The five leading submarkets in quarterly absorption were Midtown, I-285/GA-400, Decatur, GA-400 North, and Downtown.

Average rental rates increased from $21.15 per square foot at year-end 2007 to $21.43 in 2008's first quarter, while occupancy levels increased from 84.67 percent to 84.96 percent during the same period. No new buildings delivered in the first quarter. Urban corridor activity is continuing favorably with two submarkets, Midtown and Downtown, among Atlanta's top five in quarterly absorption. The average rental rate for the urban corridor is $24.05 per square foot as compared to the suburbs at $20.11 per square foot, nearly a $4.00 per square foot differential. Notwithstanding, the suburbs recorded 214,943 square feet of positive absorption in the first quarter, compared to 161,209 square feet along the urban corridor. Occupancy levels in the suburbs are slightly higher than the urban corridor at 85.06 percent as compared to 84.74 percent.

Limited new deliveries will occur in 2008: 496,921 square feet along the urban corridor in one building, The Sovereign at 3344 Peachtree Road; and 1,163,850 square feet in nine smaller buildings in the suburbs.

The Buckhead/Lenox submarket is experiencing tremendous office activity; five new office towers are under construction. Other significant development in this submarket consists of new high-rise residential structures, hotels, and additional retail space, including the St. Regis Hotel and residential condominiums at West Paces Ferry and the Mansion Hotel and residential condominiums at Peachtree and Stratford. New retail development includes the ground-floor retail at many of the new high-rise developments. The new Streets of Buckhead development by Ben Carter will add 500,000 square feet of retail space as well as a 300,000 square foot office tower. The five new Buckhead office towers under construction total 2,465,771 square feet and will be delivered over the next three years: Sovereign in 2008 with 496,921 square feet; Terminus 200 in 2009 with 564,850 square feet; Two Alliance Center in 2009 with 493,000 square feet; 3630 Peachtree in 2009 with 425,000 square feet; and Phipps Tower in 2010 with 486,000 square feet. Because of all the new office and other commercial and residential development, traffic congestion will certainly become more pronounced in Buckhead, particularly because of the small number of major roads and limited expressway accessibility.

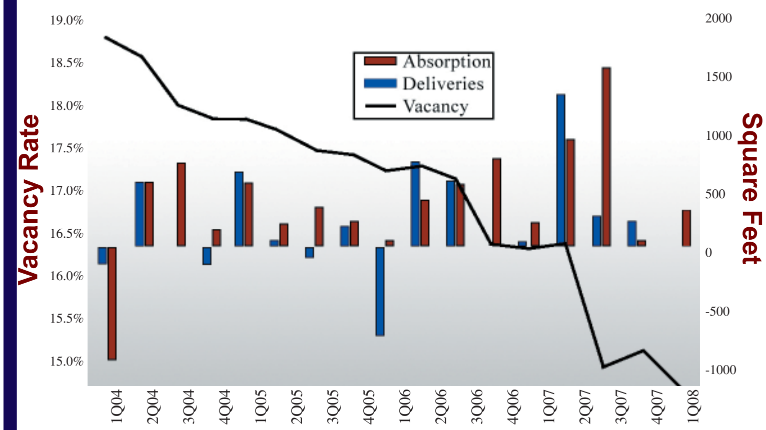
The office market still affords excellent values, particularly for creditworthy tenants who are willing to sign long-term leases. The leading submarkets in square footage availability, the I-75/I-285 submarket with 3,155,107 square feet available and Downtown with 2,945,718 square feet, provide excellent opportunities. Other submarkets with major square footage availability, the I-285/GA-400 submarket at 2,848,508 square feet, Midtown at 2,066,274 square feet, and the GA-400 North submarket at 1,838,390 square feet, all offer excellent values. Notwithstanding, given current economic conditions, outstanding opportunities remain throughout all submarkets. Furthermore, growth in rental rates has been relatively stagnant over the last seven years. First quarter 2001 average rental rates were at $21.59 per square foot as compared to first quarter 2008 rental rates at $21.43 per square foot, despite seven years of increases in operating

OFFICE MARKET SNAPSHOT

Total Square Feet:	130,046,429
Vacant Square Feet:	19,565,208
Percent Occupied:	84.96%
Absorption for Quarter:	376,152
Average Rental Rates:	$21.43
Space Delivered YTD*:	0
Class "A" Avg. Rental Rate:	$23.80

* Excludes Net Losses

METRO ATLANTA OFFICE MARKET SUMMARY 1ST QUARTER 2008



ATLANTA'S TOP FIVE RANKING SUBMARKETS

Net Absorption 1st Quarter 2008:

Midtown	129,031
I-285/GA-400	125,756
Decatur	113,656
GA-400 North	105,569
Downtown	53,791

Total Available Square Feet:

I-75/I-285	3,155,107
Downtown	2,945,718
I-285/GA-400	2,848,508
Midtown	2,066,274
GA-400 North	1,838,390

Total Existing Square Feet:

I-285/GA-400	21,980,673
I-75/I-285	18,639,466
Downtown	17,059,337
GA-400 North	15,153,001
Midtown	13,713,498

Submarket Occupancy Rate:

I-75 Corridor	93.43%
NE Expressway-South	91.83%
I-285E/Stone Mountain	91.31%
I-285/GA-400	88.52%
Buckhead/Lenox	87.87%

Average Quoted Rental Rate:

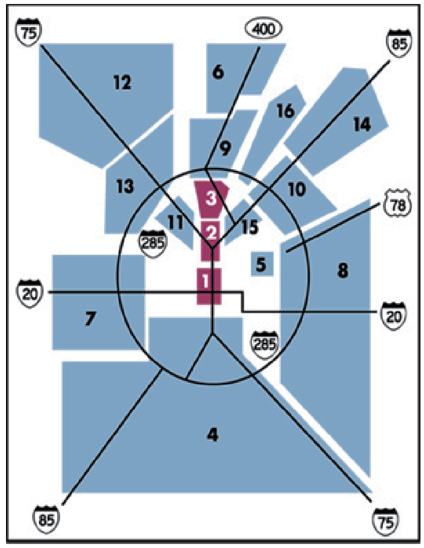
Buckhead/Lenox	$26.33
Midtown	$25.44
I-285/GA-400	$22.69
Downtown	$21.23
I-75/I-285	$21.19

expenses and taxes. Certain other major national office markets have had significant increases in rental rates over the last five years, some higher than our average rental rates, particularly in New York, Boston, Washington, D.C., and San Francisco, among others.

Existing office buildings afford excellent values and concessions as compared to new office towers, many of which are priced at or above $30.00 per rentable square foot. Notwithstanding, new buildings also offer concessions and excellent tenant improvement allowances. Because of higher gasoline prices and longer commutes, a number of major companies are also considering locations that offer public transportation, favoring the urban corridor and particularly Downtown, a submarket with excellent values and lower rental rates than the other urban submarkets, Midtown and Buckhead.

The outlook for the remainder of the year is moderately optimistic, despite some space being returned to the market by AT&T and others, a number of tenants who have reduced space or gone out of business, and additional subleasing availability. Atlanta is still the second-fastest growing US city in terms of population, with the world's busiest airport, and it will continue to perform relatively well, particularly with limited new deliveries and with several out-of-town users considering Atlanta for major relocations.

Metro Atlanta Submarkets



Urban Corridor Submarkets

1 Downtown
2 Midtown
3 Buckhead / Lenox

Suburban Submarkets

4 Airport / South
5 Decatur
6 GA-400 North
7 I-20W/Greenbriar
8 I-285 E / Stone Mountain
9 I-285 / GA-400
10 I-285 / I-85 / Northlake
11 I-75 Corridor
12 I-75N/Marietta/Johnson Ferry
13 I-75 / I-285
14 NE Expressway-North
15 NE Expressway-South
16 Peachtree Corners

Office Totals By Submarket

	Total Sq. Ft.	Vacant Sq. Ft.	Occupancy Rate	Absorption This Qtr.	Absorption Year to Date	Avg. Rent Rate
Urban						
Downtown	17,059,337	2,945,718	82.73%	53,791	53,791	$21.23
Midtown	13,713,498	2,066,274	84.93%	129,031	129,031	$25.44
Buckhead/Lenox	12,798,170	1,637,458	87.21%	(21,613)	(21,613)	$26.33
Urban Totals	43,571,005	6,649,450	84.74%	161,209	161,209	$24.05
Suburban						
Airport/South	2,960,322	644,882	78.22%	(47,528)	(47,528)	$16.49
Decatur	1,141,165	93,226	91.83%	113,656	113,656	$20.24
GA-400 North	15,153,001	1,838,390	87.87%	105,569	105,569	$19.47
I-20W/Greenbriar	321,053	53,827	83.23%	505	505	$14.31
I-285/GA-400	21,980,673	2,848,508	87.04%	125,756	125,756	$22.69
I-285/I-85/Northlake	4,480,184	835,862	81.34%	(9,876)	(9,876)	$17.63
I-285E/Stone Mtn	403,932	35,118	91.31%	(58,038)	(58,038)	$13.61
I-75 Corridor	1,127,333	74,062	93.43%	20,100	20,100	$22.23
I-75/I-285	18,639,466	3,155,107	83.07%	6,847	6,847	$21.19
I-75N/Marietta/Johnson F	3,094,873	482,589	84.41%	(29,397)	(29,397)	$18.83
NE Expressway-North	4,501,115	1,014,170	77.47%	26,486	26,486	$18.44
NE Expressway-South	4,663,151	535,098	88.52%	(50,584)	(50,584)	$18.45
Peachtree Corners	8,009,156	1,304,919	83.71%	11,447	11,447	$17.13
Suburban Totals	86,475,424	12,915,758	85.06%	214,943	214,943	$20.11
Total/Wgt. Averages	130,046,429	19,565,208	84.96%	376,152	376,152	$21.43

Richard Bowers & Co. Real Estate

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