Hampton Roads Office Market Report
2009 Review
2010 Forecast

Craig Cope
Vice President and City Manager
Liberty Property Trust

Agenda
• Review of 2009
• Acknowledge the top deals/projects in 2009
• Discuss expectations for this year
• Tips for 2010

2009 Review
• Tenant market
• Momentum
• Positive absorption for 5th straight year
• Outperformed mid-south regional competitors
• Vacancy below national average of 16%

Downtown Norfolk
Norfolk

HAMPTON ROADS OVERALL OFFICE MARKET SUMMARY
VACANCY RATE BY SUBMARKET AT YEAR-END 2009

<table>
<thead>
<tr>
<th>AREA</th>
<th>TOTAL SQ. FT</th>
<th>VACANT SQ. FT</th>
<th>VACANCY%</th>
<th>AVERAGE ASKING RENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOWNTOWN NORFOLK</td>
<td>3,238,648</td>
<td>353,129</td>
<td>10.9%</td>
<td>$21.21</td>
</tr>
<tr>
<td>SUBURBAN SOUTH SIDE</td>
<td>14,715,101</td>
<td>2,086,168</td>
<td>14.2%</td>
<td>$19.24</td>
</tr>
<tr>
<td>SUBURBAN PENINSULA</td>
<td>5,118,154</td>
<td>901,906</td>
<td>17.6%</td>
<td>$17.97</td>
</tr>
<tr>
<td>TOTALS</td>
<td>23,069,903</td>
<td>3,341,203</td>
<td>14.5%</td>
<td>$19.11</td>
</tr>
</tbody>
</table>
### 2010 Forecast
- Gap between asking rents and actual rents
- Vacancy rates will climb
- Momentum from 2009
- No new development
- Expect better 2010 vs. 2009

### 2010 Tips
- Cater to existing tenants
- Reduce operating expenses
- Increase energy efficiency
- Offer appealing properties
- Overall environment for tenants/employees