Green Building Opportunity Index© Profile Report

2011 SEATTLE AREA OVERVIEW: OFFICE MARKETS

OVERVIEW

The greater Seattle office market encompasses approximately 86.7 million square feet (msf) of space divided among three major submarkets: Seattle's Central Business District (CBD), the Eastside (Bellevue) and the relatively small Southend. The Seattle CBD is the true urban core of the region, with tenants spanning financial services, law, architecture and other professional and business services firms. The more suburban character of the Eastside differs in its tenant base, which has a large contingent of software and technology firms. However, that trend has shifted over the past decade as more and more technology firms are moving into the CBD, especially in the Lower Queen Anne/Lake Union submarket in the northern part of the CBD and the Pioneer Square/International District in the southern part of the CBD.

Puget Sound's overall vacancy rate currently stands at 19.4%, representing a 120 basis point (bp) decline from a year ago, with fundamentals in the market visibly trending towards recovery. The Seattle CBD has been the focal point of activity, accounting for nearly 75% of the occupancy gains (1.2 msf) that the greater Puget Sound region has seen over the past four quarters.

Asking rents continued to decline across the region in the first quarter of 2011, with average direct Class A rates for the greater Puget Sound falling from $28.67 psf at year-end 2010 to $28.04 psf. The continued decline suggests that while the market has clearly entered recovery mode, elevated vacancy rates and weakness in the suburban markets continue to tip market conditions in tenants' favor.

The Seattle CBD is a strong performer in the Green Building Opportunity Index in 2011, ranking ninth overall. However, lingering high vacancy levels and tepid rent growth in the CBD contributed to a below average score in the Office Market Conditions category. In contrast, a strong office-using employment forecast and an expected strong recovery in rents over the next two years positions Seattle near the top of the Investment Potential category compared to its peers.

Compared to historical norms, the Seattle investment market remains sluggish, with investor capital still largely

SEATTLE AREA:
Green Building Opportunity Index

Office Market Conditions	Value
CBD Vacancy Rate, 1Q11	19.8%
CBD Class A Vacancy Rate, 1Q11	21.8%
Leasing Activity (% inventory), 1Q10–1Q11	2.5%
Absorption (% inventory), 1Q10–1Q11	2.9%
Rolling Average Cap Rate, 2009–2011	7.3%
Office-Using Employment, Y/Y % Change	2.8%
Source: C&W Research, Real Capital Analytics, Moody's Analytics	Final Rank 22

Investment Outlook	Value
CBD 2-Year Forecast Rent Change (%)	6.7%
3-Year Office-Using Employment Growth (% per Annum)	3.0%
Incoming Supply (sf)	894,000
Source: C&W Research, Moody's Analytics	Final Rank 4

Green Adoption & Implementation	Value
Total LEED Certified (sf)	13,144,397
% of Total Inventory	31.9%
ENERGY STAR® (sf)	18,101,977
% of Total Inventory	44.0%
Source: C&W Research, USGBC, ENERGY STAR®	Final Rank 6

Mandates & Incentives	Value
Score (out of 35 possible points)	23
Source: C&W Research	Final Rank 7

State Energy Initiatives	Value
Utilities & Public Benefits Efficiency Policy	12.5
Building Score Code	6
Combined Heat & Power Score	4
Appliance Standards	0.5
State Lead by Example	1.5
RD&D	0
Financial & Information Incentives	1
Source: ACEEE	Final Rank 16

Green Culture	Value
Green Economy (rank)	2
City Innovation (rank)	1
Planning & Land Use (rank)	25
Transit Ridership (rank)	10
Walk Score® (out of 100 points)	72
Source: SustainLane, APTA, TTI, Walk Score®, C&W Research	Final Rank 7 (tied)

GREEN OPPORTUNITY FINAL RANK 9

focused on prime assets in a small handful of core CBD markets (New York and Washington, D.C. in particular). However, bidding wars on assets in those markets continue to spur increased interest in secondary markets such as Seattle. Transaction volume in Seattle totaled $1.6 billion in 2010, nearly triple the total volume of 2009. This trend continued in the first quarter, which saw $81.8 million in Seattle area office transactions, three times the volume level of the first quarter of 2010.

ECONOMY

The U.S. economy continued its measured recovery in the first quarter, with payroll employment accelerating during the first three months of the year and unemployment dropping to its lowest point (8.8%) since March 2009. While employment growth has been modest over the course of the recovery, baseline expectations are still for accelerated job gains in the latter half of 2011, as confidence builds.

Private sector payrolls added 560,000 jobs in the first quarter and roughly 1.4 million private jobs have been created since the end of the first quarter of 2010, although this represents less than one-fifth of the total jobs lost during the downturn. The Professional & Business Services (+78,000 jobs) and Education & Health Services (+45,000 jobs) sectors exhibited the strongest gains. Businesses are at a key juncture where expansion and increasing capacity and investment will be critical to sustaining the healthy profit levels seen over the past year.

Seattle's economy is in the early stages of recovery and has begun to add jobs at a more accelerated pace than the U.S. overall. The two main economic drivers in Seattle are aerospace and high tech (specifically software publishing), as Boeing and Microsoft are the two largest private employers in the area. Growth has begun to manifest in Seattle's key employment sectors, outpacing weakness in the housing-related (Financial Activities and Construction) and Government sectors. Total employment grew 0.7% in 2010, with the private sector adding 11,800 jobs during the year. Nearly all sectors continued to expand in the first quarter of 2011, with the Professional & Business Services sector posting gains of 6.5% year-over-year, boding well for future office space demand.

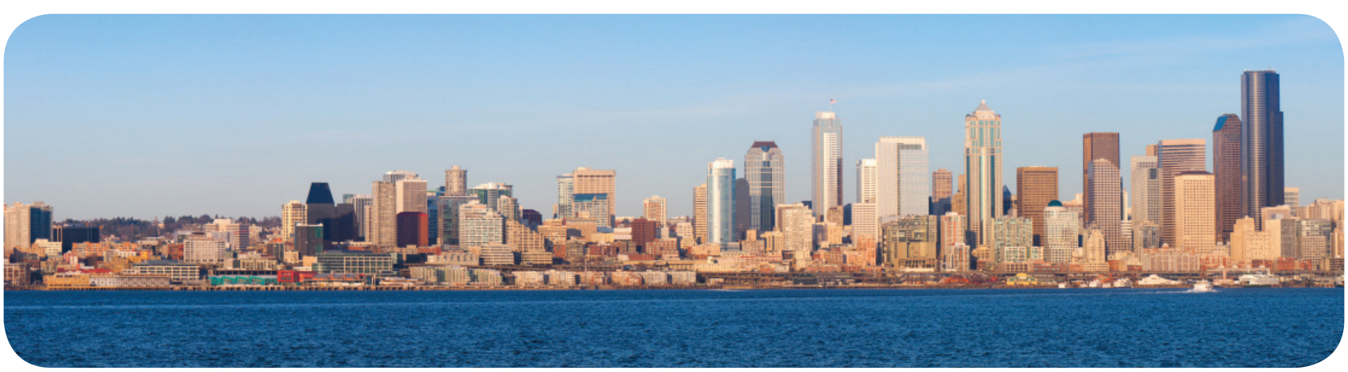
SEATTLE AREA FORECAST

High tech expansion is expected to fuel the recovery in the Puget Sound economy over the coming years. The technology sector accounts for roughly 9.4% of the total employment base in Seattle and is a major driver of its economy, as well as one of the top reasons that young professionals are attracted to this area. Although still early in the recovery phase, venture capital investment in area firms totaled $159 million in the first quarter of 2011. Of the 34 investments made, the largest share, or 23.8%, was in software firms, followed by media and entertainment firms (19.2%) and industrial/energy (17.0%).

With economic conditions rapidly improving, Moody's Analytics currently forecasts the Seattle metropolitan area to expand by 2.7% in 2011 (which effectively equates to the addition of 37,000 new jobs). Office space-using sectors of the economy are expected to expand at a robust 4.1%, with 15,700 new jobs expected in these sectors.

Vacancy rates in the Seattle CBD are expected to further decline, approaching 18.0% by the end of 2011, and subsequently shedding an additional 100–150 bps in 2012. Recovery in the Eastside (Bellevue) suburbs is expected to accelerate over the next 12 months, with only the Southend continuing to see increasing vacancy in 2011.

Positive absorption and strong leasing is boosting landlord confidence, and rental rates are showing signs of reaching an inflection point. "Flight-to-quality" will likely be a prevailing trend in 2011. However, the elevated level of Class A leasing, particularly in new construction, will likely spur a reduction in the amount of landlord concessions being offered moving forward. Overall asking rents in the Seattle CBD are expected to realize the strongest recovery, with projected increases of 2.3% in 2011 and 4.2% in 2012.



Office Market Conditions

The Seattle CBD market has been driving the majority of improvement in the overall Puget Sound market. The momentum that was building in Seattle's CBD office market during the second half of 2010 continued into the first quarter of 2011, with the overall vacancy rate declining for the third consecutive quarter to 19.7%, down from 20.8% at year-end.

Leasing activity in 2010 (3.3 msf) was more than double the total of 2009 and that trend continued in the first quarter, led by Amazon.com signing one of the largest leases (445,000 sf) on record for downtown Seattle at 1918 Eighth Avenue. The Amazon.com transaction boosted leasing for the quarter to 1.4 msf, slightly more than the combined leasing in the third and fourth quarters of 2010.

Notably, Amazon occupied yet another speculative project that was completed in the recent construction cycle. With more than 2.5 msf of speculative development delivered at the height of the economic downturn, it was anticipated this space would take several years to be fully leased. However, by the end of the first quarter, only two large vacancies remained.

Seattle CBD overall asking rents, currently at $26.45 psf, remain near their trough point in the current cycle and to-date have lagged even the modest recoveries being seen among peer markets in the study. Despite recent occupancy gains, Seattle's CBD vacancy rate remains abnormally high compared to historical norms, currently more than 600 bps above its 10-year average and on par with office market conditions in hard hit housing markets such as Phoenix, Miami and Orange County. These factors are the primary reason for Seattle's low score in the Office Market Conditions category, in which Seattle ranks 22nd.

Seattle Area Office Market Vital Statistics (1st Quarter 2011)

Statistics	Stat	Rank
CBD Office Inventory (sf)	41,147,735	10
Overall CBD Vacancy	19.80%	25
Overall CBD Class A Vacancy	21.80%	25
Overall CBD Class A Rents (psf)	$29.47	11
Completions (sf), 1Q10–1Q11	1,098,738	3
Overall CBD Absorption (sf), 1Q10–1Q11	1,201,540	4

SOURCE: C&W Research

Significant Lease Transactions 2010

Building	Tenant	Floor Space (sf)	Class
1918 Eighth Avenue	Amazon.com	444,881	A
300 Fifth Avenue	GSA	284,481	A
1301 Second Avenue	Nordstrom	260,000	A
1301 Second Avenue	Dendreon	201,647	A
2201 Westlake Avenue	Amazon.com	181,896	A
1000 Denny Way	Seattle Times	181,294	B
505 First Avenue South	Isilon Systems	139,070	A
605 Fifth Avenue South	Cobalt Group, Inc.	104,999	A
2001 Eighth Avenue	Casey Family	73,700	A
1301 Second Avenue	Zillow.com	65,609	A
2001 Eighth Avenue	Seattle Children's Hospital Research Institute	61,500	A
701 Fifth Avenue	Amazon.com	52,445	A
1918 Eighth Avenue	KPMG	50,450	A
1215 Fourth Avenue	UW Physicians	48,781	B
505 First Avenue South	Nuance Communications	46,138	A
418 South Jackson Street	Sound Transit	46,014	A
1918 Eighth Avenue	Parametric Portfolio Associates	42,000	A
1551 Eastlake Avenue East	Puget Sound Blood Center	40,000	B
1000 Second Avenue	The Platform for Media, Inc.	33,482	A
635 Elliott Avenue West	Clearchannel	31,943	A

SOURCE: C&W Research

Investment Outlook

Seattle ranks fourth in the Investment Potential category, behind only San Francisco, Midtown N.Y. and Midtown South N.Y. The ranking considers: two-year forecasted rent growth, three-year office-using employment and the incoming supply of new office inventory. Seattle ranks sixth among its peers for forecast rent growth, with current forecasts calling for overall CBD asking rents to increase 6.7% by the end of 2012. Asking rents in the Seattle CBD remain near the trough in the current cycle, allowing for a more accelerated growth rate over the next 24 months compared to peer markets that have already started to see recovery.

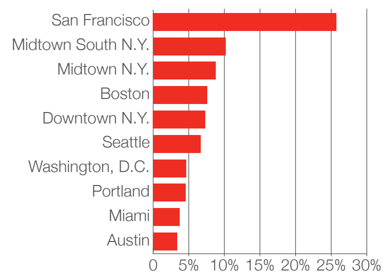
Among the 30 CBD markets surveyed in the Index, the Seattle market is tied for first with Minneapolis on the basis of three-year anticipated office-using employment growth, which is expected to average 3.0% per year.

Investment Outlook (continued)

More than 35,000 new office-space using jobs are expected to be added to the Seattle economy over this three-year period. A number of Seattle's most iconic employers, including Microsoft, Boeing and Amazon.com, have recently announced significant hiring plans.

Only one-third of the CBD markets in the Index currently have any speculative office space under construction. Seattle has the fourth highest total of new CBD office construction with 894,000 sf currently underway, all within the Lower Queen Anne/Lake Union submarket. However, these new completions will have limited CBD impact on vacancy rates, as the only projects currently underway are Phase IV (539,000 sf) and Phase V (237,184 sf) of Amazon.com's multi-building headquarters project, both of which will be almost fully occupied by Amazon.com.

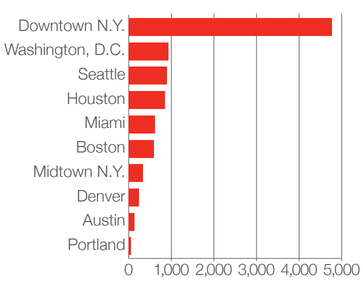
Top 10 Markets: 2-year CBD Overall Rent Forecast (%)



San Francisco	25.7%
Midtown South N.Y.	10.2%
Midtown N.Y.	8.8%
Boston	7.6%
Downtown N.Y.	7.3%
Seattle	6.7%
Washington, D.C.	4.6%
Portland	4.6%
Miami	3.7%
Austin	3.4%

SOURCE: C&W Research

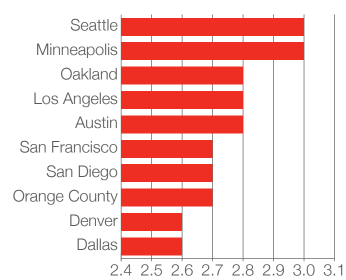
Top 10 Markets: CBD Supply Pipeline (000s sf, currently under construction)



Downtown N.Y.	4,770
Washington, D.C.	935
Seattle	894
Houston	853
Miami	615
Boston	590
Midtown N.Y.	330
Denver	244
Austin	135
Portland	47

SOURCE: C&W Research

Top 10 Markets: 3-year Avgerage Office-Using Employment Forecast (% Per Year)



Seattle	3.0%
Minneapolis	3.0%
Oakland	2.8%
Los Angeles	2.8%
Austin	2.8%
San Francisco	2.7%
San Diego	2.7%
Orange County	2.7%
Denver	2.6%
Dallas	2.6%

SOURCE: Moody's Analytics

Major Investment Sales: Seattle Area CBD

Property Address	Class	Sale Date	Buyer	Sale Price	Price / sf	ENERGY STAR / LEED
705 Fifth Avenue South	A	2Q11	Principal Financial Group, Inc.	$38,290,000	$151	Yes/Yes
1000 Denny Way	B	1Q11	Simms Commercial Development	$36,000,000	$127	No/No
1100 Eastlake Avenue East	A	4Q10	Fred Hutchinson Cancer Research Center	$36,000,000	$196	No/No
200-220 West Mercer Street	B	1Q11	Stockbridge Real Estate	$34,000,000	$225	Yes/No
1218 Third Avenue	C	2Q10	LaeRoc Partners, Inc.	$20,650,000	$128	Yes/No
737 North 34th Street	A	4Q10	Stockbridge Real Estate	$19,450,000	$180	No/No
1401 Second Avenue	B	3Q10	Target Corporation	$15,520,000	$150	No/No
542 First Avenue South	C	2Q10	Spire Real Estate LP & Nicola-Crosby Real Estate Investments	$14,500,000	$271	No/No
100 South King Street	B	4Q10	Realty Research/Manchester Capital	$10,300,000	$172	No/No
51 University Street	B	3Q10	Goodman Real Estate, Inc.	$6,850,000	$71	No/No
119 Pine Street	B	3Q10	Gibraltar LLC	$5,605,000	$147	No/No
16 West Harrison Street	C	4Q10	SH Worldwide	$2,500,000	$232	No/Yes

SOURCE: C&W Research

Green Adoption & Implementation

For purposes of ranking the competitive set in the Green Adoption and Implementation category, only entire buildings and those positioned as multi-tenanted commercial office properties that achieved LEED certification by the end of the first quarter of 2011 were considered. This approach allows a more direct and accurate comparison from market to market and reflects the total square footage of LEED certified buildings reported on the first page of this report.

Based upon the above criteria, Seattle had a total of 34 LEED certified buildings, representing 13.1 msf of office space. This total represents nearly 32.0% of the competitive commercial office properties in the Seattle CBD, which ranks third highest among its peer group in the survey, behind only San Francisco and Denver. While some certification details are confidential and not disclosed to the public, the preponderance of certifications for properties where data was available were under the Existing Buildings (EB) ratings system (21 properties). LEED Core & Shell (CS) ratings accounted for five properties.

Separately, the table below shows the most recent LEED certifications issued in the Seattle CBD. Projects displayed in the table reflect certifications outside of the criteria used for measuring markets, and highlight current certification trends occurring in the individual market. One such trend that clearly emerges in recent data is the growing number of LEED EB certifications, underscoring a shift in focus to implementation strategies in existing buildings. As shown in the data presented, 12 of the 19 certifications achieved in 2010 and 2011, or more than 63.0%, are LEED EB. Conversely, of the 59 commercial office projects certified LEED in the Seattle CBD between 2004 and 2009, the majority (25) were LEED CI certifications, followed by 13 LEED EB certifications, 10 LEED CS certifications and nine LEED New Construction (NC) certifications.

Note: The numbers below do not include those buildings that have only registered for certification with the U.S. Green Building Council.

Most Recent LEED Certified Space: Seattle Area

Project Name/Address	LEED System Name	Certification Date	Certification Level	Floor Space (sf)
1910 Fairview Avenue	LEED EB & OM	5/5/11	Silver	54,465
1215 Fourth Avenue	LEED-EB:OM v2009	5/4/11	Silver	331,566
2301 5th Avenue/Fifth & Bell	LEED EB & OM	4/20/11	Gold	167,780
520 Pike Street	LEED-EB:OM v2009	3/29/11	Gold	348,720
501-550 Boren Avenue North/Amazon.com - Phase III	LEED CS 2.0	3/10/11	Gold	237,184
300 5th Avenue/5th & Yesler	LEED CS 2.0	3/10/11	Gold	275,166
2201 6th Avenue/Blanchard Plaza	LEED EB & OM	2/11/11	Gold	237,162
720 Olive Way - Lutron Electronics Office	LEED-CI v2009	2/1/11	Gold	2,793
801 N 34th Street/Adobe Systems	LEED EB & OM	1/24/11	Platinum	150,000
1201 Third Avenue	LEED EB & OM	12/16/10	Platinum	1,114,849
925 4th Avenue/Fourth & Madison	LEED-EB:OM v2009	12/1/10	Gold	770,000
500 Boren Avenue/Amazon.com - Phase II	LEED CS 2.0	11/11/10	Gold	158,339
635 Elliott Avenue W	LEED CS 2.0	9/29/10	Gold	330,858
1918 Eighth Avenue	LEED CS 2.0	9/25/10	Gold	663,050
1200 Sixth Avenue - Gensler Office	LEED CI 2.0	8/13/10	Gold	7,920
605, 625 and 705 5th Avenue South/Union Station	LEED EB & OM	6/17/10	Silver	580,999
800 Fifth Avenue	LEED EB & OM	5/26/10	Gold	904,597
1111 Third Avenue	LEED EB & OM	2/22/10	Silver	556,847
710 Second Avenue/Dexter Horton Building	LEED EB & OM	2/3/10	Gold	302,730

SOURCE: C&W Research, USGBC

ENERGY STAR® Adoption

The number of buildings in a given city that have earned the ENERGY STAR label is another indication of its commitment to improving economic and environmental conditions. Using the same criteria applied above to the inclusion of LEED buildings, there are currently 47 buildings in the Seattle CBD that achieved this goal in 2010. These buildings comprise a total of 18,101,977 sf and range in size from 18,000 sf to more than 2.4 msf.

Seattle ranks ninth among its survey peer group in terms of the level of ENERGY STAR adoption, with 44.0% of its competitive CBD office stock achieving the rating. Leading markets for ENERGY STAR adoption include San Francisco, Los Angeles, Denver and Houston, all of which had CBD ENERGY STAR adoption levels above 60.0% of its competitive office inventory.

Taking into account all factors in the Green Adoption and Implementation category (which includes levels of LEED certification, ENERGY STAR adoption and the number of accredited LEED professionals and EB-OM specialists per capita), Seattle ranks sixth compared to its peer group. Washington, D.C. ranked first in this category, followed by Chicago, Denver, San Francisco and Midtown N.Y.

Most Recent ENERGY STAR Labeled Buildings: Seattle Area

Project Name/Address	Label Year(s)	Floor Space (sf)	Overall Vacancy	Weighted Avg. Asking Rental Rate
1201 Third Avenue	2010, 2007	1,114,849	18.04%	$32.14
3101 Western Avenue	2010	177,917	12.00%	$29.00
351 Elliott Avenue W	2010	103,340	0.00%	n/a
520 Pike Street	2010, 2008	348,720	15.26%	n/a
801 N 34th Street	2010	150,000	0.00%	n/a
615 2nd Avenue	2010	79,000	27.00%	$20.00
201 South Jackson A-15	2010, 2008, 2001	294,797	0.00%	n/a
1730 Minor Avenue	2010	358,300	20.90%	$26.73
1220 Howell Street	2010	138,000	98.82%	$28.75
1100 Olive	2010	330,000	33.08%	$26.96
1200 Sixth Avenue	2010, 2008, 2004	299,564	3.10%	$26.50
2711 Alaskan Way	2010	62,000	0.00%	n/a
999 Third Avenue	2010, 2008, 2007, 2002	944,574	19.61%	n/a

SOURCE: C&W Research, ENERGY STAR®

Mandates & Incentives

In January 2010, the Seattle City Council unanimously passed CB 116731, an ordinance that established a requirement for mandatory energy performance disclosure in commercial and large multi-family buildings. The Seattle ordinance was designed to complement the Washington State Efficiency First legislation (SB 5854).

Building owners and managers of non-residential and multi-family buildings will be required to benchmark energy performance with ENERGY STAR Portfolio Manager and disclose the results to the Seattle Department of Planning and Development (Seattle DPD) and to any prospective tenant, buyer or lender. Compliance is being phased in a tiered approach, requiring disclosure from the largest buildings with sequentially small buildings coming on line through 2012.

Seattle's DPD re-branded its expedited permitting program in 2010 as the Priority Green incentive program, which includes priority land use and building

Market Rankings Based on Regulatory Mandates and Available Incentives – Private Sector

Market	Score
Washington, D.C.	29
Midtown N.Y.	25
Midtown South N.Y.	25
Downtown N.Y.	25
Los Angeles	25
San Francisco	25
Seattle	23
Austin	21
Houston	19
Oakland	19
Portland	18
Boston	17
Dallas	17
Orange County	17
San Diego	17

Market	Score
Baltimore	16
Chicago	15
Indianapolis	15
Pittsburgh	15
Minneapolis	14
Denver	12
Philadelphia	12
Miami	11
Charlotte	10
Phoenix	8
Atlanta	6
Columbus	6
Cleveland	3
Detroit	1
Kansas City	1

SOURCE: C&W Research

Mandates & Incentives (continued)

permit review for innovative projects that will "serve as high visible models of high performance and sustainable development."

Tiers of the program include:

- **Priority Green – Expedited:** Encompasses faster review times for projects that demonstrate more established green building standards and meld well with existing code. Minimum levels of participation are Built Green 4 Star or LEED Silver (single family and townhomes projects) or LEED Gold (multi-family and commercial projects).
- **Priority Green – Facilitated:** Encompasses priority review for innovative projects with potential code challenges. Includes priority plan review, integrated review to identify and resolve issues and flexibility in applying the Seattle Land Use Code for Living Building Pilot projects. All projects that meet Seattle DPD criteria for "Innovative Projects" or participate in the Living Building Pilot are eligible.
- **Priority Green – Tools:** Additional code incentives to assist in developing green projects. Includes early code review of innovative green strategies through the Innovation Advisory Committee and additional development potential for green projects utilizing Incentive Zoning.

A density bonus is also available for projects reaching LEED Silver certification in the downtown core (Seattle Municipal Code 23.49.011).

In December 2009, Seattle's City Council passed the Living Building Pilot Program (Seattle Land Use Code SMC 23.40.060 and SMC 23.41) aimed at assisting projects attempting to meet the Living Building Challenge, a rating system designed by the International Living Building Institute. A "living building" is conceived as the next generation of green building, in which the project is comprised of sustainable materials and uses only as much energy and resources as it is able to generate on-site. The Pilot program will accept up to 12 projects over a three-year period and allows for flexibility in departures from Seattle's land use code (including permitted accessory uses, height and floor area ratio) that allow for meeting design guidelines and goals of the Living Building Challenge.

Seattle ranks seventh in the Mandates & Incentives category of the Green Building Opportunity Index. While the city has a plethora of incentives and programs to encourage green and/or sustainable development, it still lacks a formal green building code. Top scoring markets in this category include Washington, D.C., Los Angeles and San Francisco, all of which have local green building ordinances which include mandates for LEED certification for private commercial buildings in their respective cities.

State Energy Initiatives

As in the 2010 version of the Index, state energy initiatives are assessed via their rankings by the American Council for an Energy-Efficient Economy (ACEEE), a non-profit 501(c)(3) organization "dedicated to advancing energy efficiency as a means of promoting prosperity, energy security and environmental protection." In order to recognize best practices and leadership in energy efficiency, ACEEE created a scorecard that ranks each state in six key policy areas:

- Utility and public benefits fund efficiency programs and policies
- Building energy code
- Combined heat and power (CHP)
- Appliance efficiency standards
- Financial and information incentives
- State lead by example
- Research, development & demonstration (RD&D)
- Change 2009 to 2010

The scorecard provides national recognition of a state's energy efficiency initiatives and by benchmarking each state's efforts, continued improvement in energy performance is encouraged and healthy competition is created among states to continually raise the bar in energy commitments.

To best capture the factors considered most relevant for the commercial real estate sector, two additional ACEEE sub-categories have been included in this analysis: Financial and Information Incentives and Research and Development & Demonstration (RD&D). This increases the total number of variables analyzed and included in the overall Index rankings to eight.

Considering all eight factors, Seattle's overall score declined from last year's Index ranking by approximately 4.5%. Based on a comparison with its peers, Seattle received above average marks in both the Utility and

State Energy Initiatives (continued)

Public Benefits Efficiency Policy, Building Score Code and State Lead by Example categories. Conversely, these results were somewhat offset by lower scores in the Appliance Standards, RD&D and Financial and Information Incentives.

Overall, Seattle is an average performer in the Index's State Energy Initiatives category, ranking 16th in comparison to its peers. Notable improvements in the ranking of several other states also contributed to Seattle's lower ranking, including improvements in rankings for Massachusetts, North Carolina, Arizona and Pennsylvania.

This year's findings underscore the highly competitive environment around energy efficiency and the increasing focus all major markets and individual states are placing on this factor.

The table below represents the ACEEE state scores as they were attributed to each market in the study (for example, California's score was attributed to five markets: Los Angeles, Oakland, Orange County, San Diego and San Francisco) for easy market-to-market comparison.

ACEEE Overall Scoring on Energy Efficiency

Market	Utility & Public Benefits Effeciency Policy	Building Score Code	Combined Heat & Power Score	Appliance Standards	State Lead By Example	RD&D	Financial Information Incentives
Atlanta	1.5	4.5	0	0	1.5	0.5	1
Austin	3	3	5	0	1	1	1.5
Baltimore	6	5.5	3	0.5	1	0	3
Boston	15.5	7	5	2.5	1.5	2	3
Charlotte	5	5	5	0	1	2	2
Chicago	5.5	5.5	5	0	1	0.5	1
Cleveland	4.5	3.5	5	0	1.5	1	2
Columbus	4.5	3.5	5	0	1.5	1	2
Dallas	3	3	5	0	1	1	1.5
Denver	10	2	4	0	2	0	3
Detroit	8	4.5	2	0	1.5	0	1.5
Downtown N.Y.	12	6.5	5	1.5	1	2	1.5
Houston	3	3	5	0	1	1	1.5
Indianapolis	5.5	5.5	3	0	1	0.5	1
Kansas City	1.5	0	2	0	1	0	1.5
Los Angeles	18.5	7	5	3	2	2	1
Miami	4	5.5	3	0	1.5	1	0
Midtown N.Y.	12	6.5	5	1.5	1	2	1.5
Midtown South N.Y.	12	6.5	5	1.5	1	2	1.5
Minneapolis	15	4	3	0	1.5	1	2.5
Oakland	18.5	7	5	3	2	2	1
Orange County	18.5	7	5	3	2	2	1
Philadelphia	4.5	6	5	0	1.5	0	3
Phoenix	9	3	3	1.5	1.5	0	1
Pittsburgh	4.5	6	5	0	1.5	0	3
Portland	14.5	6.5	4	1	1	2	3
San Diego	18.5	7	5	3	2	2	1
San Francisco	18.5	7	5	3	2	2	1
Seattle	12.5	6	4	0.5	1.5	0	1
Washington, D.C.	5	6	4	0.5	1.5	0	1

SOURCE: ACEEE

Maximum possible points in each category are as follows: Utility and Public Benefits Efficiency Policy (20 points), Building Score Code (7 points), Combined Heat & Power Score (5 points), Appliance Standards (3 points), State Lead By Example (2 points), RD&D (2 points), Financial Information Incentives (3 points)

Green Culture

Green Culture Rankings

Green Economy	City Innovation	Planning & Land Use
1. Portland	1. New York	1. New York
2. Seattle	1. Seattle	2. San Francisco
3. Sacramento	1. Chicago	3. Portland
4. San Francisco	1. Portland	4. Boston
5. Baltimore	1. San Francisco	5. Albuquerque
6. Albuquerque	6. Minneapolis	6. Austin
7. Minneapolis	6. Boston	7. New Orleans
8. Cleveland	6. Los Angeles	8. Denver
9. Boston	9. Baltimore	9. San Diego
10. Columbus	9. Sacramento	10. El Paso

SOURCE: SustainLane

Transit Ridership
1. Midtown N.Y.
1. Midtown South N.Y.
1. Downtown N.Y.
4. Washington, D.C.
5. Philadelphia
6. Boston
7. San Francisco
7. Oakland
9. Chicago
10. Seattle

SOURCE: ATPA, TTI, C&W Research

Walk Score®
1. San Francisco
2. Midtown N.Y.
2. Midtown South N.Y.
2. Downtown N.Y.
5. Boston
6. Chicago
6. Philadelphia
8. Seattle
8. Miami
10. Washington, D.C.

SOURCE: Walk Score®; ranking based on 30 CBD markets in Green Building Opportunity Index

For 2011, two new variables, beyond the SustainLane rankings considered, were added to the Index for this category. The first considers the "locational efficiency" of each CBD in comparison to its peers, relative to its walkability, and the second assesses the use and access of public transportation within a CBD. Locational efficiency is an assessment of the quality and proximity of public transportation infrastructure, together with the density, diversity and design of the urban form, as a function of energy efficiency.

According to data from Walk Score, Seattle ranked as the eighth most walkable metro area (tied with Miami) among the Index peer group, with a Walk Score of 72. The most walkable metros were San Francisco (with a score of 85) and the Midtown, Midtown South and Downtown N.Y. markets (all with scores of 84). The next highest peer group scores were Boston (a score of 79) and Chicago (a score of 74). Additional Walk Score data can be accessed at www.WalkScore.com.

Seattle ranked tenth in public transportation trips per capita, assessing monthly data from both the American Public Transportation Association and the Texas Transportation Institute's 2010 Urban Mobility Report. The density and maturity of infrastructure in the Northeast were a key factor in New York City, Washington, D.C., Philadelphia and Boston ranking as the top performers in this category.

However, Seattle's continued expansion of its light rail system bodes well for increasing public transportation opportunities in the region and reducing traffic congestion. Sound Transit's Central Link began service in July 2009, with the new University Link extending service three miles north to the University of Washington in 2016. Future voter-approved extensions are currently in the planning phase.

SustainLane benchmarks 50 cities across the country in 16 areas of urban sustainability. Based on their relevance to the largest office markets in the U.S., three of SustainLane's 16 categories were chosen for comparison in the Green Building Opportunity Index. Similar to the Green Building Opportunity Index, SustainLane then bases its rankings of the cities on comparisons to the other cities in their chosen data set. The study is thoroughly peer reviewed and all of the methodologies and factors that comprise the rankings are easily accessed at www.SustainLane.com.

Seattle ranked near the top in two of the three SustainLane categories on which the data was assessed, including first in the City Innovation category and second in the Green Economy category. Overall, Seattle tied with Chicago for seventh in the Green Culture category of the Index, behind San Francisco, New York City, Boston and Portland.

About the Green Building Opportunity Index Profile Report

Each city's profile begins with a discussion of the prevailing market conditions and various related statistics. These parameters are followed by discussions of:

- The overall investment outlook for these cities, based on current and anticipated market conditions
- The potential to execute green development/redevelopment in the city – identifying the current level of existing and planned green development, as well as other factors such as the number of LEED APs who are mechanical engineers and can actually facilitate the commissioning process
- Existing and proposed local/municipal legislative mandates and incentives that would require compliance and/or provide incentives for various green strategies
- State energy policies which could impact green development trends
- A consideration of green culture (including rankings from SustainLane) based on their overall ranking nationally, green economy, city innovation, planning and land use policies and transit ridership.

About Cushman & Wakefield

Cushman & Wakefield's Green Advisory Practice is a globally integrated specialty group supporting the firm's **Valuation & Advisory** division. Employing innovative valuation approaches, the group identifies and quantifies the benefits of sustainable real estate strategies, demonstrating unrealized value potential to clients. The extensive value of **Cushman & Wakefield's Research Services Group's** proprietary market intelligence is leveraged by highly skilled professionals world-wide to produce detailed analyses of real estate trends and forecasts, tactical and strategic investment advice, retail location analysis and peer group studies in support of client activities. **Cushman & Wakefield's Corporate Occupier & Investor Services (CIS)** creates comprehensive solutions, including sustainability services, for real estate portfolios, aligning real estate strategies to our clients' overall business priorities. Our clients range from multinational corporations to owners/occupiers, in local markets and globally.

About BetterBricks

BETTERBRICKS
Powerful Energy Ideas. Delivered by NEEA.

BetterBricks is the commercial building initiative of the Northwest Energy Efficiency Alliance, which is supported by Northwest electric utilities. Through BetterBricks, NEEA advances ideas to accelerate energy savings in new and existing buildings. In this effort, NEEA, headquartered in Portland, Ore. and covering the four Northwest states of Idaho, Montana, Oregon and Washington, collaborates with industry leaders and local utilities to provide resources to increase office real estate value and profitability through reduced energy use and operating costs. Visit www.BetterBricks.com/Office to connect to these powerful energy ideas and more.

For More Information, Contact:
Theddi Wright Chappell, CRE, MAI, FRICS, AAPI, LEED AP
Email: theddi.wrightchappell@cushwake.com Tel: +1 (435) 575-5648
Senior Managing Director, National Practice Leader
Green Advisory Practice, Valuation & Advisory
Cushman & Wakefield of Colorado, Inc.

The team would like to thank the following individuals for their contributions and insights into the development of the Index: Ric Cochrane, Preservation Green Lab; Jack Davis, JDM Associates; Christian Gunter, Bentall Kennedy; Brent Palmer, NewTower Trust; Chris Pyke, USGBC; Joel Sisolak, Cascadia Chapter USGBC; Peter Wilcox, Northwest Energy Efficiency Alliance; and special thanks to Jeff West of Cushman & Wakefield's Research group.