



BOMA

market report
2007

SAINT PAUL BUILDING OWNERS AND MANAGERS ASSOCIATION



James Scannell
Senior Vice President -
Administrative Services
The Travelers Cos.

October 8, 2007

Dear Members of the Greater Saint Paul Building Owners and Managers Association (BOMA):

The past year has been a time of changes at BOMA. In our ongoing efforts to support local building owners and managers and accurately portray our office market, we are debuting a revised classification system for office buildings in the Saint Paul Central Business District. This is the first time changes have been made to the system since its inception in 1995.

Another change is a new category of office space – Medical Office Buildings. Saint Paul has three large health care campuses within or directly adjacent to the Central Business District, which affects the business health of our city. These buildings have been inventoried, but please note that their square footage is not included in this report's tabulations. This allows BOMA to add the medical office space to the report without it affecting other categories or comparisons to previous years' figures.

Also for the first time, our classification system takes into account office building features including communication technology, fitness facilities, cafeteria offerings, lobby entrances, and parking. Building age and assessed value are no longer considered.

What remains the same is BOMA's continued commitment to comprehensive, analytical reporting on the state of the downtown Saint Paul office market. This report offers a thorough analysis of gains and losses, and a comparison of this year to years past.

The 2007 report reveals increased occupancy over last year, both in Competitive space and overall. This report also helps us look ahead to an exciting year in 2008, when Saint Paul will host the Republican National Convention.

Thank you to the many building owners, managers, and leasing agents who provided information, and to the Leasing and Marketing Committee, co-chaired by Pat Wolf and Wayne Kuykendall, who oversaw the preparation of the 2007 report. Welcome to Curt Milburn, the new president of Greater Saint Paul BOMA, another change for the organization this year. And, thank you to the Capital City Partnership, which year after year has helped make this report possible.

Sincerely,

James A. Scannell
Chair, Greater Saint Paul BOMA

Saint Paul has much to offer

Saint Paul can be very proud of its selection as the site of the next Republican National Convention. Our selection confirms some things that many of us already know...

We are a "smart city" of highly educated workers. In fact, 60% of our workforce has bachelor's degrees or higher, compared to 20% nationally. Our employers and city have a reputation that helps us attract the best and brightest – all points to be proud of as Saint Paul business people.

Saint Paul is also very accessible. Access to the downtown is easy from Minneapolis, from the Minneapolis-St. Paul International Airport and Holman Field, and from many charming, livable neighborhoods nearby in Saint Paul and east metro suburbs.

People look to Saint Paul as a big city with a small-town feel. On the one hand, we are the hub of county and state governments and a major arts and culture destination. On the other, we have family-oriented neighborhoods that are great places to raise children.

2008 will be a great year to show Saint Paul's pride on a national level.

"Minnesota's Capital City provides an exceptional quality of life and quality of workforce. St. Paul has a strong history and offers a unique experience for both our clients and employees. We're proud to be a corporate partner in such a vibrant community."

Eric Johansen, President of Alliance Bank



Downtown Saint Paul Preparing for Republican National Convention

From September 1-4, 2008, Saint Paul will host the Republican National Convention (RNC). Planners estimate that up to 45,000 people will attend, including 15,000 media representatives. The direct economic impact is anticipated to be \$200-\$300 million. So, what does the RNC mean to Saint Paul, the Central Business District, and the office market?

- **180 East 5th Street** – RNC renting space now through the convention
- **Xcel Energy Center** – Convention facility
- **Cleveland Circle** – Media staging area
- **95 hotels** across Saint Paul and the metro area – 20,000 rooms are reserved for RNC attendees

Strategically chosen

First, it means that we have what they were seeking in a host city.

Saint Paul/Minneapolis was one of four metro areas that bid to host the 2008 RNC. RNC officials say the Twin Cities were selected for reasons including arena size and capacity, media work space, convention office space, number and proximity of hotels, transportation, security, and ability to finance the operation.

There were also some political considerations related to selecting Minnesota as the location. Although Minnesota has voted for Democratic

Presidential candidates in more consecutive elections than any other state, the state's Democratic leanings are in question after the 2000 and 2004 elections. The neighboring states of Wisconsin and Iowa are also seen as likely battleground states in the 2008 election. Having the RNC in the Twin Cities will result in significant, region-wide media coverage starting well in advance of the event – coverage that may well influence the election.

Economic impact

For Saint Paul, having the convention at Xcel Energy Center means that we are at the center of activity. The highest levels of impact will be felt by vendors and hospitality providers, such as hotels and food service operations.

While figures vary from one national convention to the next, New York City reported an impact of \$212 million when it hosted the 2004 RNC, and Boston's impact was \$150 million from the 2004 Democratic National Convention.

However, the RNC will cost an estimated \$82 million to host. The Minneapolis Saint Paul Host Committee will need to raise approximately \$58 million of that amount through private and corporate donations.

Among the costs will be the logistics surrounding traffic and public safety. The Secret Service has reportedly established 17 subcommittees to address security concerns, and the 600-member Saint Paul Police Department is seeking assistance from other departments across Minnesota during the RNC.

The good news for local companies is that current plans call for all freeway exits and entrances to be open into Saint Paul during the RNC, helping ensure as little disruption as possible to people who work downtown. However, the security perimeter around the convention facilities will influence traffic patterns.



Saint Paul's strengths

Size and space

In terms of size, Xcel Energy Center – with its 650,000 square feet of event space – and the adjacent RiverCentre are more than enough to accommodate the convention and the accompanying media attention. In addition to Xcel Energy Center, facilities across Saint Paul and the Twin Cities will host convention-related events.

Saint Paul is also able to accommodate RNC planners with office space leading up to the convention. The Republican National Committee leased more than 51,000 square feet on the twelfth floor of 180 East 5th Street, just blocks away from Xcel Energy Center. The lease extends from July 2007 through November 2008.

Hotels

Planners have already secured 20,000 Twin Cities hotel rooms – well over half the metro area's 35,000 rooms – for each night of the convention.

Rare opportunity

Considering the last major political convention was held in Minnesota in 1892, an opportunity of this magnitude may not come again for some time.

The 2008 RNC is Saint Paul's opportunity to establish a national and international reputation as a first-rate city to hold events and do business. Making this kind of impression on business and community leaders could be a real boost to Saint Paul and its office market.

Highlights

of this Office Market Survey

- The Saint Paul Central Business District has **17,273,400 total square feet of Competitive, Government, and Owner-occupied office space**. This is a decrease of 418,316 square feet, or 2.36%, since the 2006 report was released.
- The primary reason for the decrease in office space is the removal of three buildings from the inventory. The removal of functionally obsolete buildings from the inventory is a continuing trend over the past several years.
 - 505 North Wabasha. This building, consisting of 70,000 square feet, was sold to the Church of Scientology of Minnesota.
 - Pioneer-Endicott Buildings. The new owner has taken these buildings off the market to formulate a strategy for repositioning and reuse. The buildings contain 288,000 square feet.
 - Renaissance Box. This building, containing 62,500 square feet, has been converted to apartments.
- **Overall occupancy increased from 87% in 2006 to 89% in 2007.**
- In Competitive office space, the Class A occupancy rate decreased from 88.6% in 2006 to 87.2% in 2007. Class B occupancy increased from 70.6% to 77.6%. Class C occupancy decreased from 70.5% to 66.3%.
- **Absorption for the total universe in 2007 was a negative <23,462> square feet.** Absorption for Competitive office space was <252,463>. In the past 12 years, the Saint Paul Central Business District has absorbed a net total of 1,787,387 square feet.
- **The Competitive office space in the Saint Paul Central Business District is 8.74 million square feet.** Of that amount, 24.3% is Class A space, 61.4% is Class B space, and 14.3% is Class C space.
- Total Competitive space decreased due to the re-classification of the following buildings out of Competitive space:
 - St. Paul Radiology (fka Community Services Building), 166 East 4th Street, was moved from Class B space to Owner-occupied space.
 - 90 West Plato was moved from Class C space to Government space. Ramsey County is the owner.
- From 1995 to 2007:
 - Class A Competitive office space has increased from 5 buildings and 1.47 million square feet to 6 buildings and 2.13 million square feet. This is an increase from 17% to 24.3% of the total Competitive office space.
 - Class B Competitive space has increased from 4.93 million square feet in 32 buildings to 5.37 million square feet in 33 buildings. This is an increase from 57.5% to 61.4% of the total Competitive office space.
 - Class C Competitive space has decreased from 24 buildings and 2.16 million square feet to 18 buildings and 1.25 million square feet. This is a decrease from 25% to 14.3% of the total Competitive office space.
- As a result of market activity and BOMA's revised classification system, several buildings have been re-classified since 2006. Shifts include:
 - One building was moved out of Class A space.
 - Two buildings shifted into Class B space; seven buildings shifted out of this category.
 - Four buildings transferred into Class C space; three buildings shifted out of Class C space.
 - Owner-occupied space gained one building.
 - Government space increased by three buildings.
- Only 39,254 square feet are available for sublease, which is significantly lower than the 2006 total of 88,700 square feet.
- Median gross rental rates increased in all classes of office space. The median gross rental rate for Class A space is \$22.45 per square foot, \$17.20 for Class B space, and \$15.00 for Class C space. These rates are based on rentable square feet.

Total Universe

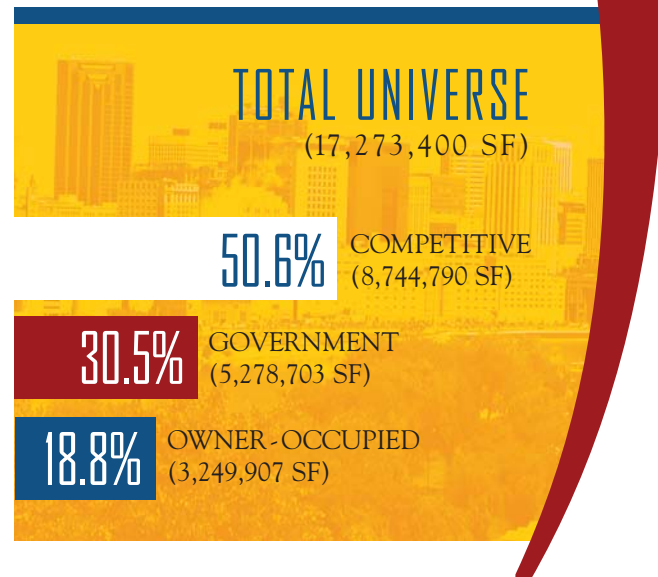
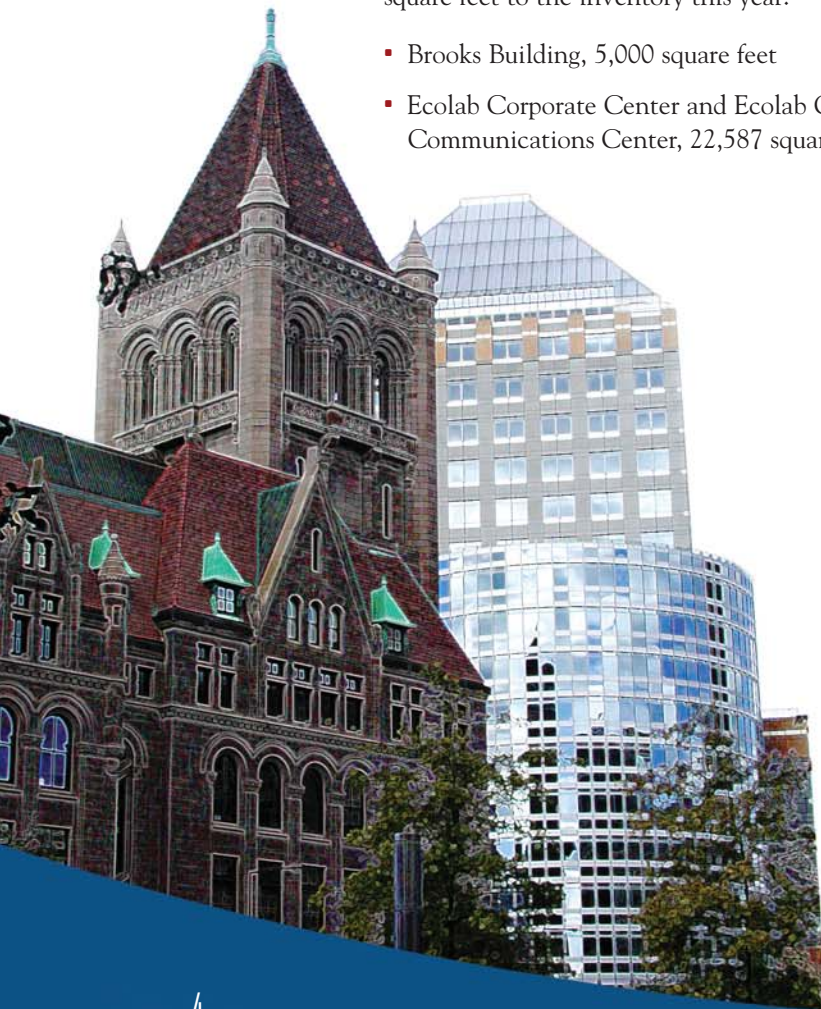
As defined in the 2007 report, the total universe of office space in the Saint Paul Central Business District is 17,273,400 square feet. This is a decrease of 418,316 square feet, or 2.36%, from last year's report. However, it is an increase of more than 2.79 million square feet, or 16%, over the total universe in 1995, when BOMA compiled its first report.

In the past year, the following buildings were added to the office space inventory:

- 321 Grove Street 1 & 2, 53,950 square feet (Government space)

The following buildings contributed additional square feet to the inventory this year:

- Brooks Building, 5,000 square feet
- Ecolab Corporate Center and Ecolab Global Communications Center, 22,587 square feet



Buildings removed from the office space inventory include:

- 505 North Wabasha, consisting of 70,000 square feet, was sold to the Church of Scientology of Minnesota.
- Pioneer-Endicott Buildings, 288,000 square feet. The new owner has taken these buildings off the market to formulate a strategy for repositioning and reuse.
- Renaissance Box, 62,500 square feet. This building has been converted to apartments.

Reduced square footage was reported by:

- Commerce Building, 41,500 square feet. The upper floors are slated for redevelopment into affordable housing units. This building previously offered 100,000 square feet of office space.

Competitive space represented 53% of the total universe in 2006, and 50% of the universe in 2007. This resulted from buildings being removed from Competitive space, including:

- St. Paul Radiology (fka Community Services Building), 52,800 square feet, shifted from Class B space to Owner-occupied space.
- 90 West Plato, 80,000 square feet, transferred from Class C space to Government space. Ramsey County is the owner.
- 505 North Wabasha, Pioneer-Endicott Buildings, and Renaissance Box, as noted above.

Overall Vacancy/Occupancy

Vacancy/occupancy statistics include Competitive office space, Government space, and Owner-occupied space. Government space and Owner-occupied space are considered completely occupied.

Vacancy for the total universe of office space in the Saint Paul Central Business District is 11%, or 1,897,756 square feet. This vacancy rate is 2 percentage points lower than the overall vacancy reported last year (13%, or 2,313,110 square feet).

The following buildings represent the most significant changes in vacancy/occupancy:

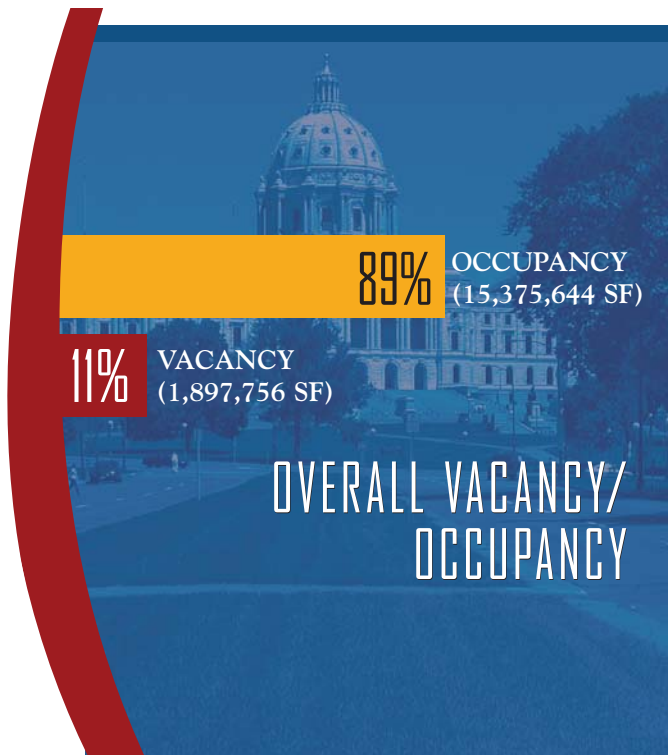
- **180 East 5th Street.** The Republican National Committee leased 51,319 square feet. More than 4,000 square feet has been leased to smaller tenants, including Minnesota Transition Schools.
- **360 Cedar,** 50 East 5th Street. The entire building is vacant. Peterson, Fram & Bergman moved to Alliance Bank Center (fka 5th Street Center).
- **375 Jackson.** Occupancy increased by 2,285 square feet due to a tenant expansion.
- **400 Building,** 400 North Robert Street. Milio's leased 2,284 square feet. Securian vacated 10,000 square feet in a move of some staff to the 401 Building.
- **505 North Wabasha.** The building was sold to the Church of Scientology of Minnesota, removing 70,000 square feet from the office market.
- **Alliance Bank Center** (fka 5th Street Center), 55 East 5th Street. Occupancy increased by approximately 30,000 square feet. Significant new leases signed include Alliance Bank; Geraghty, O'Loughlin and Kenney; and Peterson, Fram & Bergman.
- **Brooks Building,** 366 Jackson Street. The basement has been finished and leased to Synopsis Technology. All 25,000 square feet in this building are leased.
- **Commerce Building,** 8 East 4th Street. Some of the building's previous office space is being converted to housing, reducing office square footage from 100,000 to 41,500 square feet.
- **Drake Building,** 60 Plato Boulevard East. BDM Engineering leased 5,059 square feet.
- **Ecolab Corporate Center,** 370 North Wabasha Street, and Ecolab Global Communications Center, 360 North Wabasha Street. Ecolab re-measured both buildings using BOMA standards, resulting in 19,701 additional square feet in Ecolab Corporate Center and 2,886 additional square feet in Ecolab Global Communications Center.
- **Empire Building,** 360 North Robert Street. The Minnesota Assistance Council for Veterans leased 6,000 square feet.



- **Gallery Towers,** 514 St. Peter Street. St. Peter Street Internal Medicine leased more than 3,000 square feet, Neurology Specialists leased more than 1,000 square feet, and an expansion resulted in approximately 1,000 additional square feet.
- **Galtier Plaza,** 380 Jackson Street. Occupancy decreased by nearly 7,900 square feet. Three tenants departed, two tenants relocated and expanded their space, while five new tenants leased space.

Overall Vacancy/Occupancy

- **Hamm Building**, 408 St. Peter Street. Cisco Systems' sublease from The Travelers Cos. expired, leaving 25,735 square feet of newly available space.
- **JAX Building**, 253 East 4th Street. New small tenants leased approximately 3,000 square feet.
- **Landmark Towers**, 345 St. Peter Street. Market Street Energy Company leased 5,457 square feet.
- **Lawson Commons**, 380 St. Peter Street. The landlord is marketing approximately 14,000 square feet of previously subleased space.
- **Liberty Square**, 133 East 7th Street. A tenant expanded, increasing occupancy by more than 5,000 square feet.
- **Lowry Professional Building**, 350 St. Peter Street. The Saint Paul Conservatory of the Arts and the Theater Project leased approximately 10,000 square feet. Multiple small tenants leased space on the skyway level. MSP Commercial vacated 2,500 square feet.
- **Metro Square Building**, 121 East 7th Place. The Minnesota Department of Human Services vacated more than 55,000 square feet.
- **O'Connor Building**, 266 East 7th Street. American Greetings vacated 10,000 square feet, leaving the 20,000-square-foot building entirely vacant.
- **Pioneer-Endicott Buildings**, 336 North Robert Street. The new owner took these buildings off the market to formulate a strategy for repositioning and reuse. The buildings contain 288,000 square feet.
- **Public Housing Agency Saint Paul**, 555 North Wabasha Street. The agency consolidated its office staff, leaving slightly more than 2,000 square feet available for lease.
- **Railroader Printer Building**, 235 East 6th Street. The Brooks Group purchased the building and reported an additional 7,200 square feet as vacant.
- **Renaissance Box**, 509 Sibley Street. This building was converted to apartments and therefore removed from this report, eliminating 62,500 square feet of space.
- **Saint Paul Building**, 6 West 5th Street. Reported occupancy increased by 7,781 square feet.
- **Sibley Square**, 190 East 5th Street. South Metro Human Services began a five-year lease of 12,000 square feet.
- **UBS Plaza**, 444 Cedar Street. Northstar Capital Market Services extended its lease and expanded by 11,834 square feet for a total of 23,668 square feet. Law firm Murnane Brandt vacated 17,964 square feet in a move to Wells Fargo Place.
- **University Club Downtown**, 340 Cedar Street. Reported occupancy decreased by 4,000 square feet.



COMPETITIVE OFFICE SPACE ANALYSIS

(8,744,790 SF)

24.3%

CLASS A
(2,126,690 SF)

61.4%

CLASS B
(5,368,543 SF)

14.3%

CLASS C
(1,249,557 SF)

Competitive Office Space Analysis

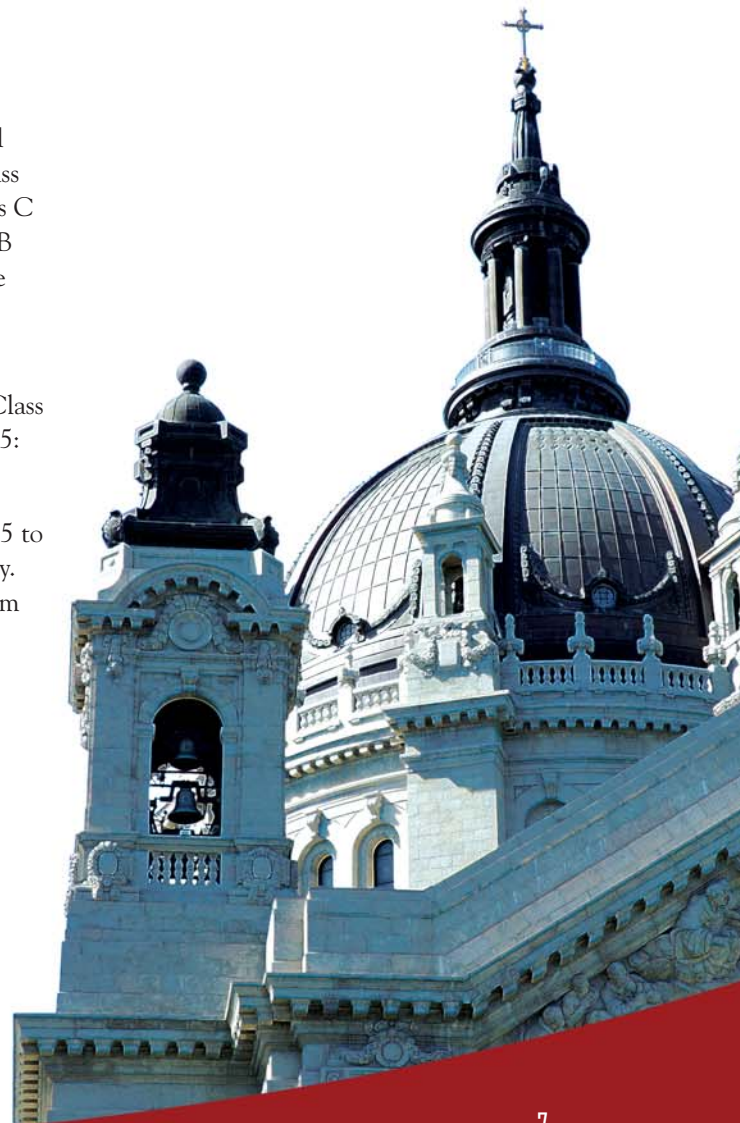
The Saint Paul Central Business District has approximately 8.74 million square feet of Competitive office space, which is 50.6% of the total universe. Competitive space is further categorized as Class A, B or C. (Please see “Classification Criteria” for a description of the factors that determine how office space is categorized.)

The Competitive office space in the Saint Paul Central Business District consists of 24.3% Class A space, 61.4% Class B space, and 14.3% Class C space. The percentages for Class A and Class B space are slightly lower than in 2006, while the amount of Class C space has increased by 3.5 percentage points.

Significant changes in the percentages of the Class A, B and C categories have occurred since 1995:

- Class A office space has increased from 5 buildings and 1.47 million square feet in 1995 to 6 buildings and 2.13 million square feet today. This is an increase of 660,000 square feet from 1995 to 2007, and an increase from 17% to 24.3% of the Competitive space total in the Saint Paul Central Business District.

- Class B office space has increased from 32 buildings and 4.93 million square feet in 1995 to 33 buildings and 5.37 million square feet today. Class B space has increased by 440,000 square feet, from 57.5% of the Competitive space total in 1995 to 61.4% of the total in 2007.
- Class C space has decreased from 24 buildings and 2.16 million square feet to 18 buildings and 1.25 million square feet. Class C space has declined by 910,000 square feet from 1995 to 2007, and the percentage of Class C space has gone from 25% of the Competitive space total in 1995 to 14.3% today. This reduction in buildings reflects an ongoing trend of removing functionally obsolete buildings from the office space inventory and repositioning them to a higher and better use.



Competitive Vacancy/Occupancy

Vacancy is lowest (12.8%) in Class A space and highest (33.7%) in Class C space. The overall vacancy rate for Competitive office space in the Saint Paul Central Business District is 21.7%. The amount of leased space that is available for sublease is 39,254 square feet.

The vacancy percentage decreased due to fewer vacant square feet and several properties being removed from the office market in 2007. Lower vacancy and a smaller universe indicate an overall healthier market than that of the past few years.

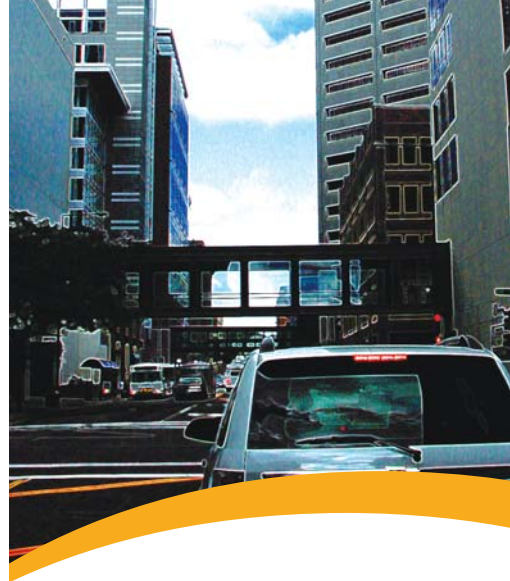
“St. Paul employers benefit from a highly educated workforce and a transportation system that enables employees from throughout the metropolitan area to get to work with relative ease, compared to many major cities in America. St. Paul’s quality of life is an added plus – characterized by friendly neighborhoods and a broad mix of cultural, educational and sports activities.”

COMPETITIVE VACANCY/OCCUPANCY

CLASS A	87.2% OCCUPANCY (1,853,758 SF)	12.8% VACANCY (272,932 SF)
CLASS B	77.6% OCCUPANCY (4,165,321 SF)	22.4% VACANCY (1,203,222 SF)
CLASS C	66.3% OCCUPANCY (827,955 SF)	33.7% VACANCY (421,602 SF)
TOTAL	78.3% OCCUPANCY (6,847,034 SF)	21.7% VACANCY (1,897,756 SF)

Robert L. Senkler,
Chairman & CEO of Securian
Financial Group

Competitive Vacancy Trends



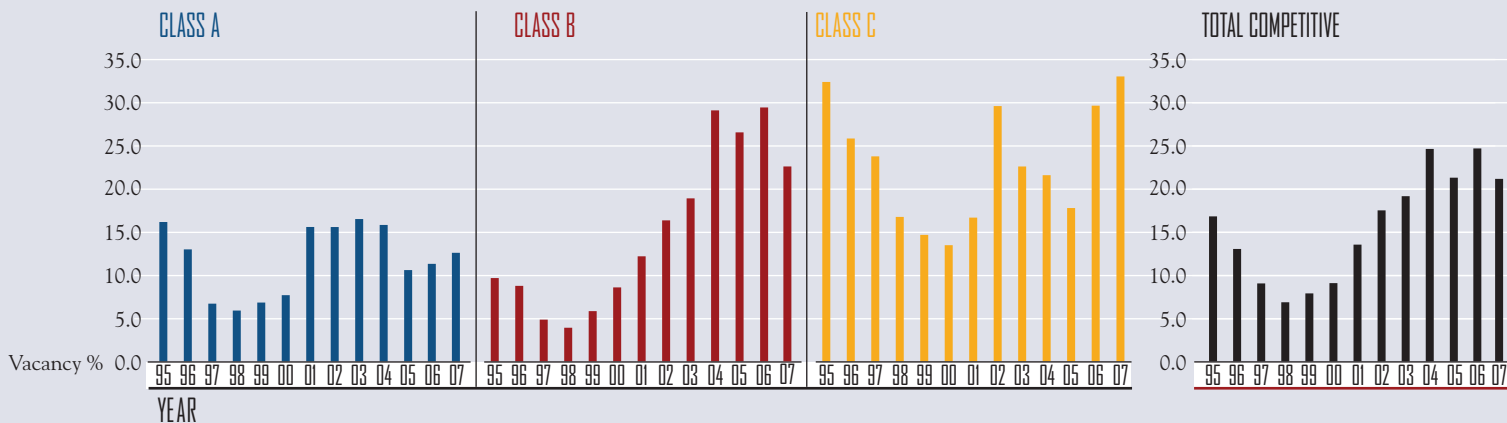
Overall vacancy in Competitive space decreased from 2.31 million square feet, or 24.6%, in 2006, to 21.7%, or 1,897,756 square feet, in 2007. This vacancy is lower than last year's rate of 24.6% (2.31 million square feet) but higher than the 1995 rate of 16.8% (1.44 million square feet). (Note: office space available for sublease is not included in available square footage.)

The Class A vacancy rate increased from 11.4% in 2006 to 12.8% in 2007. The total available space decreased from 284,753 square feet last year to 272,932 square feet this year. In 1995, Class A vacancy was 16.8% or 248,000 square feet.

Class B vacancy decreased from 1,729,579 square feet, or 29.4%, last year to 1,203,222 square feet, or 22.4%, in 2007. Class B vacancy was 10.0% or 493,000 square feet in 1995.

Class C vacancy increased from 29.5%, or 298,778 of 1.01 million square feet, in 2006 to 33.7%, or 421,602 of 1.25 million square feet, in 2007. This year's vacancy rate is higher than it was in 1995, but significantly more square feet were vacant in 1995 – 700,000 of 2.2 million. (Class C space declined by 910,000 square feet from 1995 to 2007 due to conversions and demolition.)

Sublease space totals 39,254 square feet in 2007. This compares to 88,734 square feet available for sublease reported last year.



Absorption

Absorption is a measurement of the increase or decrease in occupied office space that occurs during a given period of time. The graph below compares the absorption of office space that has occurred over the past year to the absorption of office space during the 12 prior years of this report. Please note: to prevent severe distortion in absorption statistics due to building reclassification shifts that took place this year, the following figures do not reflect the shifts.

Absorption in the total universe is a negative <23,462> square feet for 2007. This means that 23,462 fewer square feet are occupied in 2007 than in 2006. When absorption is tracked for Competitive office space alone, downtown Saint Paul had negative absorption of <252,463> square feet, even though vacancy is down. This is partially due to several buildings being removed from the inventory this year that last year reported occupancy.

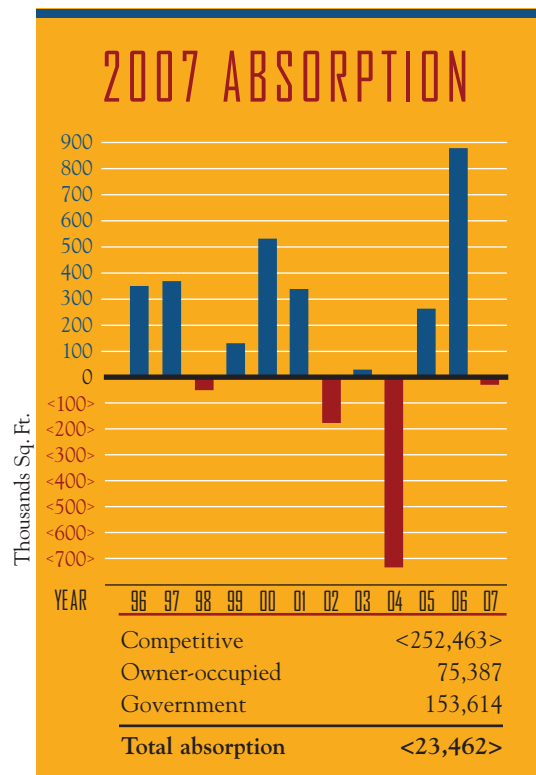
SIGNIFICANT ABSORPTION ACTIVITY

- Space available for sublease came online as direct space.
- The Pioneer-Endicott Buildings, 505 North Wabasha, and Renaissance Box were removed from the report.
- There is increased vacancy of 25,375 square feet at the Hamm Building, 55,000 square feet at the Metro Square Building, and 10,000 square feet at the O'Connor Building.

- 90 West Plato shifted to Government space.
- The Commerce Building has 58,500 square feet being converted to housing units.

OWNER-OCCUPIED SPACE

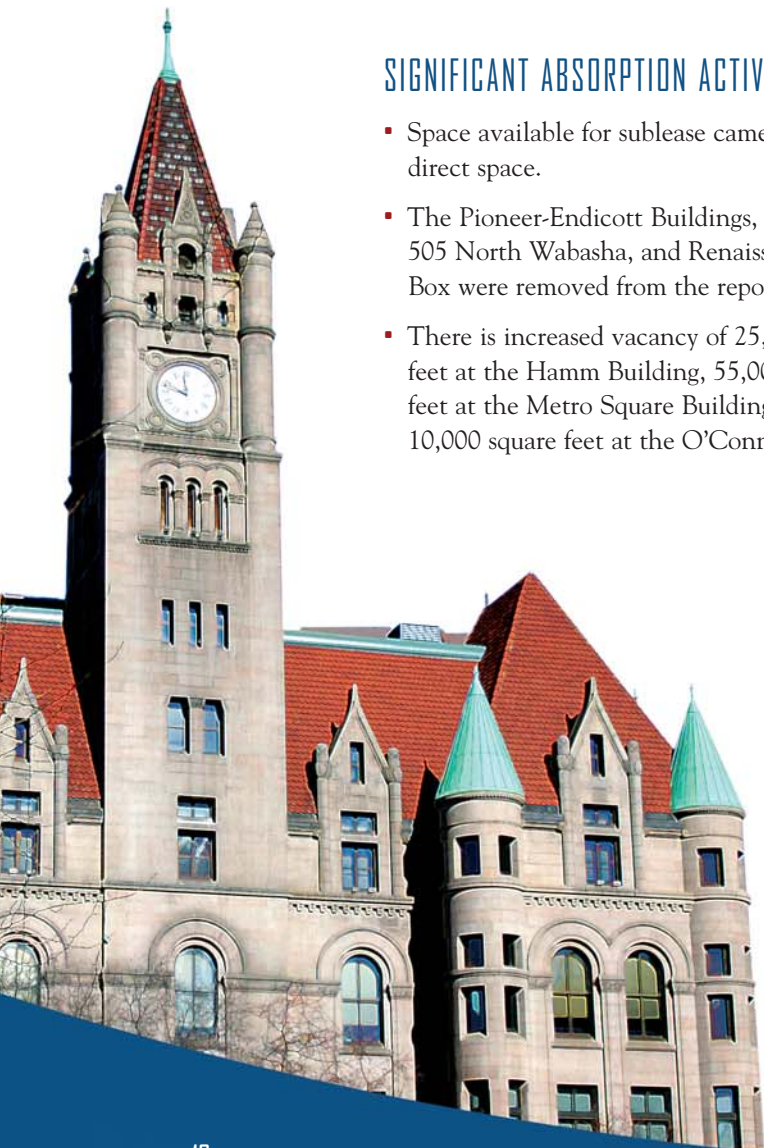
Owner-occupied buildings contributed positive absorption of 75,387 square feet to the market. The most significant changes resulted from the addition of St. Paul Radiology and its 52,800 square feet to this category, as well as the re-measurement of the Ecolab buildings, which resulted in 22,587 additional occupied square feet in this category.



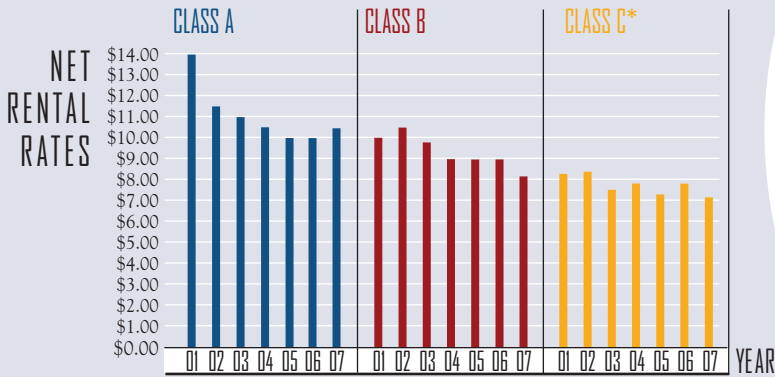
GOVERNMENT SPACE

Government space had positive absorption of 153,614 square feet. This primarily resulted from additions to this category, including 90 West Plato with 80,000 square feet and 321 Grove Street 1 & 2 with 53,950 square feet.

The Saint Paul Central Business District has absorbed a positive net total of 1,787,387 square feet over the past 12 years. This represents an annual average positive absorption of approximately 148,949 square feet.



Market Rental Rates



* Net rental rates were provided for approximately half of the Class C buildings. Accordingly, the median net rental rate for Class C does not fully represent all buildings in this category.

The quoted gross rental rate for office space is the sum of the net rental rate and operating expenses, including property taxes. The information on net rental rate and operating expenses was obtained directly from the building owners, managers, and leasing agents surveyed for this study, and it represents the asking rental rates for each building. The rental rates are intended to reflect the average listing rate for the property. Several factors impact the rental rate in a lease transaction, including location in the building, improvements, parking, term, credit, services, and more.

This section's analysis compares the median gross rental rates of office space in each Competitive classification with office space in other classifications and with prior years.

- Class A: The median gross rental rate increased by \$2.15 from 2006 to 2007, from a median of \$20.30 per square foot to a median of \$22.45 per square foot. The 2007 median net rental rate is \$12.00. The median gross rental rate has increased by \$7.16 per square foot since 1995, when it was \$15.29.

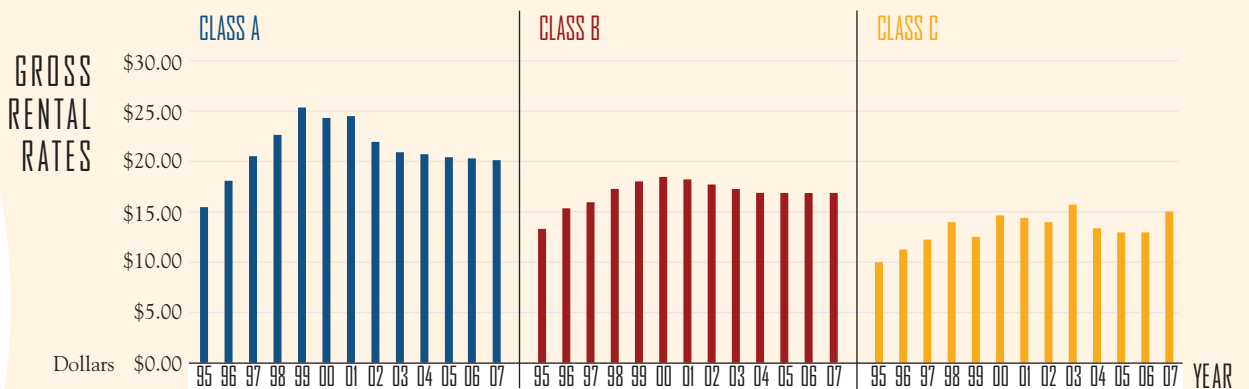
- Class B: The median gross rental rate has increased slightly from \$17.00 per square foot in 2006 to \$17.20 in 2007. The median gross rental rate has increased \$2.95 since 1995, when it was \$14.25 per square foot. The 2007 median net rental rate is \$9.00.
- Class C: The median gross rental rate increased from \$13.50 in 2006 to \$15.00 in 2007. The median gross rental rate has increased \$5.00 since 1995, when it was \$10.00 per square foot. (Because leasing agents often quote gross rental rates in this class, there is not enough information available to provide a median net rental rate. The median net rental rate to the extent reported is \$7.85 for 2007.)

For buildings that provided a range for their rental rates, we used the middle of the range provided for the median analysis.

OPERATING EXPENSES AND TAXES

An analysis of operating expenses and taxes reported by the building owners, managers, and leasing agents during the past seven years for each class indicates that the median rate has:

- Decreased from \$14.00 in 2001 to \$10.45 in 2007 for Class A space
- Decreased from \$10.00 in 2001 to \$8.03 in 2007 for Class B space
- Decreased from \$8.19 in 2001 to \$7.15 in 2007 for Class C space (to the extent reported)



In 2007, the total universe contains 17,273,400 total square feet of Competitive, Government, and Owner-occupied office space. This is a decrease of 418,316 square feet, or 2.36%, from 2006. Overall occupancy increased from 87% in 2006 to 89% in 2007.

COMPETITIVE OFFICE SPACE

Class A space

Available square footage changes:

- **UBS Plaza**, 444 Cedar Street. Northstar Capital Market Services extended its lease and expanded by 11,834 square feet for a total of 23,668 square feet. Law firm Murnane Brandt vacated 17,964 square feet, but remained in the Saint Paul Central Business District.
- **400 Building**, 400 North Robert Street. Milio's leased 2,284 square feet. Securian vacated 10,000 square feet in a move of some of its staff to the Owner-occupied 401 Building.
- **Landmark Towers**, 345 St. Peter Street. Market Street Energy Company leased 5,457 square feet.
- **Lawson Commons**, 380 St. Peter Street. The landlord is marketing approximately 14,000 square feet of previously subleased space as space for lease.

Removed from Class A space:

- **US Bank Center**, 101 East 5th Street. This building was moved to the Class B category, removing 360,989 total square feet and 45,781 of available square feet from this category.

Class B space

Added to Class B space:

- **Empire Building**, 360 North Robert Street, was previously Class C space. This contributes 55,000 square feet to the Class B category.
- **US Bank Center**, 101 East 5th Street, was formerly Class A space. It consists of 360,989 square feet.

Removed from Class B space:

- **360 Cedar**, 50 East 5th Street, was moved to the Class C category. It consists of 42,138 square feet.
- **505 North Wabasha**. The building was sold to the Church of Scientology of Minnesota, removing 70,000 square feet from the office market.
- **Liberty Square**, 133 East 7th Street, was moved to the Class C category. This removed 50,000 square feet from Class B space.
- **Metro Square Building**, 121 East 7th Place, was moved to the Class C category. This eliminated 386,308 square feet of Class B space.
- **O'Connor Building**, 266 East 7th Street, was moved to the Class C category. This removed 20,000 square feet of Class B space.
- **Pioneer-Endicott Buildings**, 336 North Robert Street. The new owner has taken these buildings off the market to formulate a strategy for repositioning and reuse. This eliminates 288,000 square feet of Class B space from the market.
- **St. Paul Radiology** (fka Community Services Building), 166 East 4th Street. This building is now owner-occupied, removing 52,800 square feet from Class B space.

Total square footage changes:

- **Brooks Building**, 366 Jackson Street. The basement has been finished, adding 5,000 rentable square feet.



Available square footage changes:

- **180 East 5th Street.** The Republican National Committee has leased 51,319 square feet on the twelfth floor for approximately 18 months. Smaller tenants such as Minnesota Transition Schools have leased more than 4,000 square feet.
- **375 Jackson.** Available space decreased by 2,285 square feet due to a tenant expansion.
- **Alliance Bank Center** (fka 5th Street Center), 55 East 5th Street. Approximately 30,000 square feet has been leased since the last report, including major leases by Alliance Bank; Geraghty, O'Loughlin and Kenney; and Peterson, Fram & Bergman.
- **Brooks Building**, 366 Jackson Street. The basement, consisting of 5,000 square feet, was leased to Synapsis Technology. This resulted in full occupancy.
- **Drake Building**, 60 Plato Boulevard East. BDM Engineering leased 5,059 square feet.
- **Empire Building**, 360 North Robert Street. The Minnesota Assistance Council for Veterans leased 6,000 square feet.
- **Gallery Towers**, 514 St. Peter Street. St. Peter Street Internal Medicine leased more than 3,000 square feet, Neurology Specialists leased more than 1,000 square feet, and an expansion resulted in approximately 1,000 additional square feet.
- **Galtier Plaza**, 380 Jackson Street. Occupancy decreased by nearly 7,900 square feet. Three tenants departed, two tenants relocated and expanded their space, while five new tenants leased space.
- **Hamm Building**, 408 St. Peter Street. Cisco Systems' sublease from The Travelers Cos. expired, leaving 25,735 square feet of available space on the sixth floor.
- **Public Housing Agency Saint Paul**, 555 North Wabasha Street. The agency consolidated its office staff, leaving slightly more than 2,000 square feet available for lease.
- **Saint Paul Building**, 6 West 5th Street. Reported occupancy increased by 7,781 square feet.
- **Sibley Square**, 190 East 5th Street. South Metro Human Services is under contract to begin a five-year lease of 12,000 square feet on October 1, 2008.

Class C space

Added to Class C space from Class B space:

- **360 Cedar**, 50 East 5th Street, 42,138 square feet.
- **Liberty Square**, 133 East 7th Street, 50,000 square feet.
- **Metro Square Building**, 121 East 7th Place, 386,308 square feet.
- **O'Connor Building**, 266 East 7th Street, 20,000 square feet.

Removed from Class C space:

- **90 West Plato.** Ramsey County now owns this building, which transferred 80,000 square feet to Government space.
- **Empire Building**, 360 North Robert Street. This building, consisting of 55,000 square feet, is now Class B space.
- **Renaissance Box**, 509 Sibley Street. This building – consisting of 62,500 square feet – has been converted to apartments and thus removed from this report.

Changes in total square footage:

- **Commerce Building**, 8 East 4th Street. The building's upper floors are being converted into affordable housing units, reducing the amount of office space from 100,000 square feet to 41,500 square feet.

“When Ecolab was established in 1923, St. Paul was our headquarters location because it was our founder’s hometown. Since then, St. Paul has developed into a great hub for Ecolab, with easy access to freeways and airports, ample parking, and room to expand our presence as we grow. As St. Paul evolves, it continues to be a great place for our associates to work, while never losing that hometown feel.”

Doug Baker, CEO of Ecolab

Changes in available square footage:

- **360 Cedar**, 50 East 5th Street. The entire building is currently vacant. Peterson, Fram & Bergman moved to Alliance Bank Center (fka 5th Street Center).
- **JAX Building**, 253 East 4th Street. New small tenants have leased approximately 3,000 square feet.
- **Liberty Square**, 133 East 7th Street. Occupancy increased by more than 5,000 square feet due to a tenant expansion.
- **Lowry Professional Building**, 350 St. Peter Street. The Saint Paul Conservatory of the Arts and the Theater Project leased approximately 10,000 square feet. Multiple small tenants leased space on the skyway level. MSP Commercial vacated 2,500 square feet.
- **Metro Square Building**, 121 East 7th Place. The Minnesota Department of Human Services vacated more than 55,000 square feet.
- **Northwestern Building**, 275 East 4th Street. South Metro Human Services vacated 8,800 square feet.
- **O’Connor Building**, 266 East 7th Street. American Greetings vacated 10,000 square feet, leaving the entire 20,000-square-foot building vacant.
- **Railroader Printer Building**, 235 East 6th Street. The Brooks Group purchased the building and reported an additional 7,200 square feet as vacant.
- **University Club Downtown**, 340 Cedar Street. Reported occupancy decreased by 4,000 square feet.

Owner-occupied space

- **Ecolab Corporate Center**, 370 North Wabasha Street, and Ecolab Global Communications Center, 360 North Wabasha Street. Ecolab re-measured both buildings using BOMA standards, resulting in 19,701 additional square feet in Ecolab Corporate Center and 2,886 additional square feet in Ecolab Global Communications Center.
- **St. Paul Radiology** (fka Community Services Building), 166 East 4th Street. This building – containing 52,800 square feet of space – is new to this category. It was previously Class B space.
- Other new additions to Owner-occupied space in recent years include Minnesota Public Radio (160,000 square feet) and U.S. Bank West Side Flats Operation Center (350,000 square feet).

Government space

- **90 West Plato**. Ramsey County purchased this formerly Class C building and is in the process of remodeling it. The county plans to move into the 80,000 square-foot building in November 2007.
- **321 Grove Street 1 & 2**. These buildings, with 53,950 square feet, are new to the report.
- Other new additions to Government space in recent years include the Griffin Building (100,000 square feet), Metropolitan Council Building (116,000 square feet), Ramsey County Law Enforcement Center (100,000 square feet), and three newly constructed state office buildings (837,421 square feet).

Medical Office Space

Medical Office space is a new category to the BOMA report this year. It is a stand-alone category that does not impact the statistical data contained in this report.

Medical office space is important to this report because its impact on Saint Paul is significant. The city has three large, acclaimed health care campuses within or directly adjacent to the Central Business District. They provide a huge benefit in terms of service to local residents and the workforce, and their presence impacts the business health of our city.

This category includes 19 buildings:

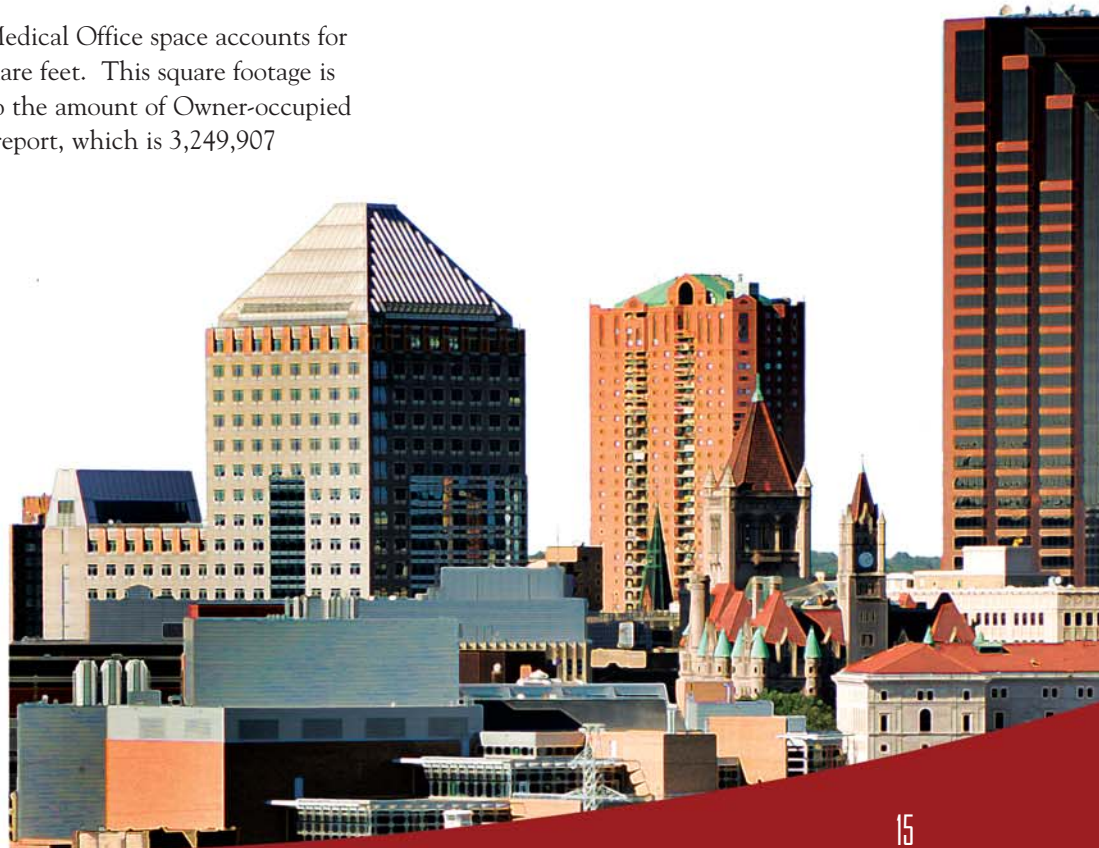
- 16 of the buildings are contained in the health care campuses located within or directly adjacent to the Saint Paul Central Business District: Regions Hospital, St. Joseph's Hospital, and United/Children's Hospitals.
- 3 buildings are contained in other categories of this report: Gallery Professional Building, Gallery Towers, and Capitol Professional Building. These three buildings are counted in this year's statistics in their other categories.

Altogether, Medical Office space accounts for 3,293,699 square feet. This square footage is comparable to the amount of Owner-occupied space in this report, which is 3,249,907 square feet.

Notable expansions and renovations are either underway or recently completed on the health care campuses included in this report. They include:

- **Regions Hospital**, 640 Jackson Street. Construction began in January 2007 on a \$179 million expansion and renovation project. Planned improvements include more private patient rooms, space for emergency and mental health services, and parking facilities. Completion is expected in 2009.
- **St. Joseph's Hospital**, 69 West Exchange Street. Construction continues on a five-story, \$90 million patient tower, which includes a new heart and neuroscience center, outpatient facilities, and private rooms for all patients. Renovation of existing facilities – including an expanded emergency department – is scheduled to proceed after the tower is completed.
- **United Hospital**, 333 North Smith Avenue. The new 125,000-square-foot, \$30 million Nasseff Specialty Center at United Hospital includes heart, lung, and pulmonary hypertension clinics; pediatric, neurosurgery, and epilepsy services; and other specialty offerings in one five-story facility.

(Please refer to the Medical Office Building Table on page 24)



OFFICE SPACE

- **5th Street Center** was renamed Alliance Bank Center.
- **Warren E. Burger Federal Courts Building**, 316 North Robert Street. Renovation efforts are scheduled to be completed by October 2008. The building will have more courtrooms, an expanded lobby, and increased security.
- **West 7th Professional Center**, 241 West 7th Street. Spring Park-based Yanik Companies, which specializes in health care and educational facilities, is developing an 80,000-square-foot building west of Xcel Energy Center on the site of the former Twin Cities Magic and Costume. Slated for completion in the fall of 2008, it will contain office and retail space.

Sales in calendar years 2006 and 2007

- **90 West Plato**. Ramsey County purchased this building out of foreclosure.
- **180 East Fifth Street**. Jackson I LLC purchased the building from Jackson Street Associates.
- **375 Jackson**. Jim Crockarell purchased the building from 375 Jackson Street LLC.
- **First National Bank Building**, 332 Minnesota Street. First National Building Holding, Inc. purchased this building out of foreclosure and has a multi-million dollar renovation underway.
- **Gallery Professional Building**, 17 West Exchange Street. Triple Net Properties, a real estate investment trust, purchased the property from the Saint Paul Port Authority and plans to invest \$1.4 million into building improvements in the next two years.
- **Galtier Plaza**, 380 Jackson Street. National Equity Advisors of California purchased the building from Florida-based Marty Wasmer for \$16 million.
- **Gilbert Building**, 413 Wacouta Street. McCullough Cos. of Forest Lake purchased the building from Lowertown Five.

McCullough is making upgrades to the building and adding retail and residential space.

- **Landmark Towers**, 345 Saint Peter Street. This building is for sale.
- **Mears Park Centre**, 230 East 5th Street. The Sherman Group purchased this building from the Saint Paul Port Authority.
- **Minnesota Building**, 46 East 4th Street. MNB Development purchased the building from Bridgecreek Development for \$5.75 million and plans to convert this building into affordable housing.
- **Town Square Ramp**, 405 Minnesota Street. Unilev Capital Corporation purchased the ramp from the Saint Paul Port Authority.
- **UBS Plaza**, 444 Cedar Street. Plymouth-based Hempel Properties purchased the building from MOT Consolidated Properties.
- **US Bank Center**, 101 East 5th Street. Griffin Capital purchased the building from St. Paul Real Estate LLC.
- **Wells Fargo Place**, 30 East 7th Street. Zeller Realty Group sold Saint Paul's tallest office building (37 stories) to Unilev Capital Corporation, a California-based real estate investment firm.

HOUSING AND MIXED USE

- **The Bridges of Saint Paul**, extending from Robert Street to Highway 52 between the Mississippi River and Fillmore Avenue. Developer JLT Group proposed The Bridges of Saint Paul, a 32-acre, 2 million-square-foot, mixed-use development on the Mississippi Riverfront. The Saint Paul City Council rejected JLT Group's rezoning request, which would have enabled the master-planned project to move forward. JLT Group has no other plans for the site and is no longer actively pursuing The Bridges development.
- **Upper Landing Village**. Construction continues on this 21-acre urban village between Xcel Energy Center and the Mississippi River. The last section of the development, which is nearest to downtown, includes approximately 100 housing units, 10,000 square feet of commercial space, and a parking ramp.

Noteworthy

- **Public Safety Building**, corner of 11th and Minnesota streets. Alatus Partners is still actively marketing the 300-unit Penfield condominium project.
- **Farmers Market Flats**, corner of Wall Street and East 5th Street. Developer Brian Sweeney has made arrangements with the city and other partners for more than 40 condominium units on four floors atop a year-round, indoor farmers' market. Construction began this fall and is expected to be completed in the late summer or early fall of 2008.
- **Ramsey County Adult Detention Center**, 14 West Kellogg Boulevard. Ramsey County is still trying to sell this facility and the adjacent former headquarters for West Publishing. In June 2007, the county board began evaluating proposals from seven companies that indicated interest in purchasing and redeveloping the site on the Mississippi River.
- **B&M Furniture**, 212 East 7th Street. Developers are converting this old warehouse into residential condominiums known as the "Bonnie Jean Flats."
- **Commerce Building**, 8 East 4th Street. Sherman Rutzick and Associates is redeveloping the building's upper floors into affordable housing units.
- **Crane-Ordway Building**, corner of East 5th and Wall streets. Central Community Housing Trust has completed the building's \$11.7 million renovation into 70 affordable apartment units.

OTHER DEVELOPMENTS

- **Smith Avenue Transit Center**, corner of Kellogg Boulevard and West 7th Street. Construction continues on the \$24 million transit center, which will include a 600-car public parking ramp atop a Metro Transit bus station.
- **Cleveland Circle**, corner of Kellogg Boulevard and West 7th Street. Saint Paul's Housing and Redevelopment Authority secured San Francisco-based City Center Retail to explore developing the 2.4-acre site. The company's initial ideas called for a Minnesota Wild practice rink, an upscale restaurant, national retailers, offices, a hotel, and possibly a rooftop park. While the specifics need to be finalized,

City Center Retail hopes to break ground after the 2008 Republican National Convention, during which the site is slated to be used as a media staging area.

- **Union Depot and Downtown Post Office**, 180 East Kellogg Boulevard. Ramsey County is close to signing a deal with the U.S. Postal Service to purchase the Union Depot concourse and adjacent downtown post office site, which would be redeveloped into a massive rail and bus hub. The deal would be contingent on moving the U.S. Postal Service's distribution services out of downtown Saint Paul. As early as December 2007, the Postal Service's Board of Governors could review a relocation to Egan. If approved, construction may start as soon as 2008, with completion possible in 2014. The project has secured \$50 million in federal funding.



- Light rail and mass transit developments:
 - **Central Corridor**. Preliminary engineering has begun on the Central Corridor, a light-rail system that would connect downtown Saint Paul, the State Capitol, the University of Minnesota, downtown Minneapolis, the Minneapolis-Saint Paul International Airport, and the Mall of America. Saint Paul city and business leaders are working to secure the next piece of financing via the state bonding bill. Decisions have not been made about the Central Corridor's connection to the Union Depot.

Red Rock Corridor. The Red Rock Corridor is a 30-mile route extending from Hastings through downtown Saint Paul to Minneapolis. Studies are underway to examine all transit alternatives to determine the most feasible option for this area, though there are long-term plans for commuter rail.

Robert Street Corridor. Dakota County is leading a feasibility study on transit options in the Robert Street Corridor, which connects downtown Saint Paul with southern suburbs. The most likely option appears to be bus rapid transit (BRT).

The Northstar Corridor Rail Project is a 40-mile line running from Big Lake to Minneapolis along Highway 10. Construction began in July on the commuter rail, which will connect to the Central Corridor in Minneapolis and feed into Saint Paul. The commuter rail is expected to be operational in 2009.

- **Xcel Energy High Bridge Power Plant,** Mississippi Riverfront. Construction continues on the natural gas plant to replace the existing coal-fired plant dating back to the 1920s. The project is slated for completion in 2009.
- **Holman Field,** 644 Bayfield Street. In August, the Metropolitan Airports Commission (MAC) awarded Carl Bolander and Sons the contract to construct a protective floodwall around the downtown Saint Paul airport. After permits are secured, construction is scheduled to begin this fall; the first phase will involve the installation of sheet pilings along Bayfield Street. The MAC hopes to have the majority of work done by May 2009. Holman Field brings significant economic benefits to Saint Paul.
- **Gillette Plant,** 310 East 5th Street. Florida-based Diamond Products is working to sell or lease the 21-acre site. While several parties have expressed interest, there are no firm redevelopment plans.
- **Ford Motor Company Plant,** 966 South Mississippi River Boulevard. When Ford closes the plant in 2008, it will open 122 acres of prime property to redevelopment.
- **Palace Theatre/The Orpheum,** 17 West 7th Place. Authors of a city-commissioned report recommended that the former vaudeville house become a small auditorium that would seat 800-1,200 people and house two-three resident arts groups and touring shows. Kelly Brothers Investments, which has owned the property since 1999, said that such a venture would require more financing and grants. Next steps are uncertain.
- **Property Taxes.** A 14.6% maximum tax levy increase has been approved by the St. Paul City Council for 2008 property taxes. Ramsey County approved a maximum tax levy increase in 2008 of 5%.
- **Fortune 500 Headquarters.** Twenty Minnesota companies made this year's Fortune 500 list, including UnitedHealth Group (21), Target (33), Best Buy (72), The Travelers Cos. (89), 3M (97), Supervalu (117), U.S. Bancorp (123), CHS (fka Cenex Harvest States Cooperatives, 166), Northwest Airlines (195), General Mills (213), Medtronic, Inc. (222), Xcel Energy (251), Ameriprise Financial (297), Land O' Lakes, Inc. (329), C.H. Robinson Worldwide, Inc. (349), Thrivent Financial for Lutherans (370), Hormel Foods (403), The Mosaic Company (427), Ecolab (457), and Nash Finch Company (476).



Methodology

BOMA's inaugural report in 1995 was the first market survey of downtown Saint Paul to accurately and completely portray Saint Paul's office market dynamics. Since then, this report has been based on information from professional owners, managers, and leasing agents. Statistical comparisons have been made between 2007 and 1995 throughout the report.

This report uses the same analyses and boundaries of Competitive, Owner-occupied, and Government buildings as past reports. The classification criteria are revised from years past, and there is a new category for Medical Office space. Any information provided here that reflects activities after August 1, 2007, has not been figured into this report's statistics. All space available for sublease is treated as leased space.

The BOMA market survey differs from other organizations' surveys in several significant aspects:

BOUNDARIES. This report covers the downtown Saint Paul Central Business District and includes a slightly larger geographical area than other surveys, accurately reflecting the trade area or scope of activity within our market. The boundaries for the BOMA report are: University Avenue, to Lafayette Road, to Kellogg Boulevard, to John Ireland Boulevard, to Constitution Avenue. The boundaries for this year's survey are the same as those used since the first survey in 1995. Several buildings fall outside of these boundaries but are included due to their proximity to the defined area, their competitive presence, and their relationship with the Central Business District for essential services. See the map on page 21 for the boundaries and a list of buildings included in the report that are outside the defined Central Business District.

NON-COMPETITIVE BUILDINGS. Most market surveys cover only Competitive buildings, which are generally defined as investor-owned properties that lease to one or more tenants. For many markets, especially those that are suburban in nature, most office leasing activity occurs within this office category. This approach has worked for downtown Minneapolis, where a number of corporations have elected to lease their offices and there is a relatively smaller proportion of Government space.

However, the office market in downtown Saint Paul is fundamentally different. Owner-occupied, Government, and Medical Office space play a significant role in this market. Those buildings are included in this survey to prevent underreporting the market and to properly reflect its underlying dynamics. For example, the former Community Services Building in Class B is now owned and occupied by St. Paul Radiology and therefore re-categorized as Owner-occupied space. Without the Owner-occupied category, this transfer would appear to be a total loss and the overall impact would be unclear.

CLASSIFICATION. The BOMA Leasing and Marketing Committee developed criteria for classifying Competitive office buildings into A, B and C Competitive office space categories in 1995. These same classification criteria were applied each year through 2006. Criteria have been added in 2007 that take into account building features such as cafeteria offerings, communication technology, lobby entrances, parking, and fitness facilities. Building age and assessed valuation have been deleted from the criteria considered for building classifications.

MEASUREMENT. BOMA International completed a revised method of floor measurement in 1996 after years of careful study. Many of the office buildings included in this survey have already changed their method of measurement, and the remainder of the buildings will likely make these changes in the coming years. Generally, these changes increase the total area of the buildings, magnifying the occupancy and vacancy statistics.



Classification Criteria

Each year, Saint Paul BOMA prepares an office space market report that references building classifications “A,” “B,” and “C,” which are typically based on a building’s architectural design, location, and functionality.

A classification of A, B, or C does not necessarily denote the desirability of the individual building, as office tenants make facilities decisions based on considerations important to their businesses. While such classification of office buildings is common throughout the country and throughout the various sub-markets in the Twin Cities, other markets typically do not define their criteria.

Saint Paul BOMA has based its building classifications upon the criteria listed below. Certain criteria are also weighed more than others. However, a “total picture” approach is taken in determining the overall final classification of a building.

Criteria have been added this year considering building features such as cafeteria offerings, communication technology, lobby entrances, parking, and fitness facilities. Also, building age and assessed valuation have been eliminated from the criteria being considered for building classifications.

The building classification criteria are:

LOCATION

- Skyway connection
- Within one block of skyway access
- Further than one block from skyway access

BUILDING SIZE/HEIGHT/VIEWS

- Building height, atmosphere, and scenic value
- Fenestration (windows as percent of building exterior wall surface)

CAPITAL IMPROVEMENTS WITHIN RECENT YEARS

(excluding tenant improvements)

- Maintenance and upgraded architectural and design elements

RESTROOMS

- Number of men’s and women’s restrooms per floor meeting ADA criteria for handicap access
- Number of men’s and women’s restrooms per floor
- Overall building ratio of men’s and women’s restrooms per floor

ELEVATORS

- Passenger elevators operated with a modern operating system
- Appropriate passenger elevator “wait interval”
- Designated freight elevator that serves all office floors and responds only to freight elevator call button, not the general passenger elevator call button

BUILDING MANAGEMENT SERVICES

- Full-time on-site building manager (CPM or RPA designation)
- Part-time on-site or on-call building manager (CPM or RPA designation)

GENERAL BUILDING MAINTENANCE AND REPAIR

- Full-time on-site repair staff
- Part-time on-site or on-call repair staff

CLEANING SERVICES

- Frequency
- Quality
- On-site day cleaners

HVAC

- Temperature consistency
- Zone control
- Operational efficiency

EXTERIOR APPEARANCE (CURB APPEAL)

- Presence of building
- Quality materials and maintenance

COMMON AREAS (HALLS, RESTROOMS, LOBBY)

- Formal lobby entrance at street or skyway level
- Consistency and quality of finishes
- Unique characteristics

TENANT SPACES

- Consistent building standards

SECURITY AND LIFE SAFETY

- Tenant spaces and common areas equipped with sprinkler system
- Elevator card access control system
- On-site security personnel
- Security escort service available
- Video monitoring/recording of strategic locations in the building
- Free of hazardous materials, including construction materials (such as asbestos or PCBs), and/or such waste as may be generated or stored in the building

COMMUNICATION TECHNOLOGY

- Dedicated T1/DSL/wireless options
- Bandwidth/speed
- Access

PARKING

- On-site
- Heated
- Reserved
- Enclosed/covered
- Auto cleaning/washing service

ADDITIONAL BUILDING AMENITIES

- Cafeteria/quality and variety of food offerings
- Conference rooms
- Fitness facilities
- Concierge

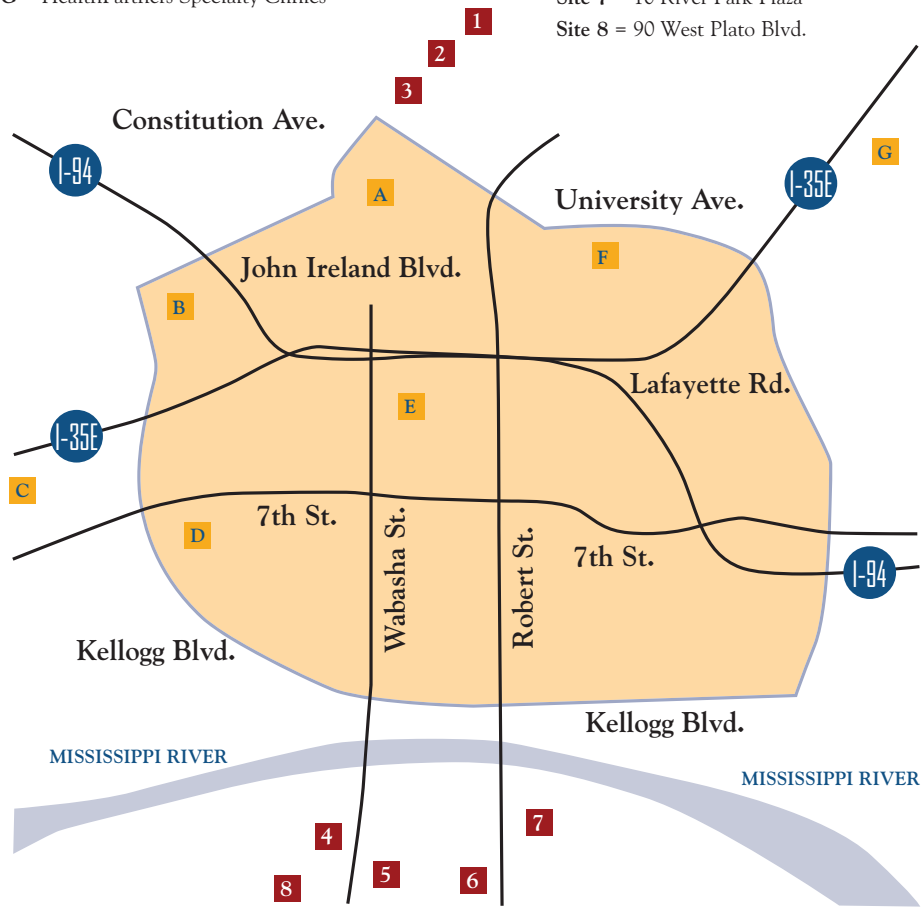
ENVIRONMENTAL ELEMENTS

- Energy-efficient technologies
- Use of recycled materials

SITE KEY

- Site A = Minnesota State Capitol Building
- Site B = Minnesota History Center
- Site C = United Hospital/Children's Hospital
- Site D = Saint Paul RiverCentre
- Site E = St. Joseph's Hospital
- Site F = Regions Hospital
- Site G = HealthPartners Specialty Clinics

- Site 1 = 590 Park Street
- Site 2 = 555 Park Street
- Site 3 = 525 Park Street
- Site 4 = 1 West Water Street
- Site 5 = Drake Building
- Site 6 = US Bank Operations Center
- Site 7 = 10 River Park Plaza
- Site 8 = 90 West Plato Blvd.



Class A

Name Address	# of Floors	Total S.F. Avail. S.F.	Contiguous Space	Floor Plate SF	Net Rate Op. & Taxes	Building (B) or Close (C)	Company Contact/Phone
400 Building 400 North Robert Street	21	375,500 32,400	16,139	16,139	\$5.75 \$10.18	B	McGough Properties, LLC Ann Stahley 651-248-6946
Bremer Tower 445 Minnesota Street	27	248,140 66,461	24,000	12,000	\$10-\$12.00 \$10.17	B	NorthStar Partners Aaron Barnard 952-465-3372
Landmark Towers 345 St. Peter Street	25	210,547 23,306	11,597	11,597	\$11-\$13.00 \$10.49	B	United Properties Tom Stella 651-734-2383
Lawson Commons 380 St. Peter Street	12	429,891 15,560	8,265	34,000	\$14.50 \$11.55	B	Frauenschuh Companies Wayne Kuykendall 651-291-3562
UBS Plaza (fka Piper Jeffray Plaza) 444 Cedar Street	25	227,717 63,984	36,285	12,095	\$11-\$13.00 \$10.41	B	United Properties Eric King 651-734-2385
Wells Fargo Place 30 East 7th Street	37	634,895 71,221	51,000	14,682 in tower; 3-level atrium approx. 65,000 per floor	\$12-\$20.00 \$10.76	B	Zeller Realty Mike Wilhelm 612-317-2924
Total S.F.		2,126,690					
Total Available S.F.		272,932					
		12.83%					

Class B

Name Address	# of Floors	Total S.F. Avail. S.F.	Contiguous Space	Floor Plate SF	Net Rate Op. & Taxes	Building (B) or Close (C)	Company Contact/Phone
180 East 5th Street 180 East 5th Street	13	675,130 202,514	135,782	approx. 51,000	\$8-\$10.00 \$7.89	C	Frauenschuh Companies Wayne Kuykendall 651-291-3562
375 Jackson 375 Jackson Street	7	212,395 60,783	37,315	15,000 E. Bldg 20,000 W. Bldg	\$8-\$10.00 \$10.07	B	Frauenschuh Companies Sherry Hastings 651-291-3576
443 Lafayette Road 443 Lafayette Road	4	84,398 0	0		\$9.00 \$8.00	B tenants only	Meritex Enterprises Fred Koehler 651-228-4505
444 Lafayette Road 444 Lafayette Road	6	239,494 0	0		\$9.00 \$8.00	B tenants only	Meritex Enterprises Fred Koehler 651-228-4505
500 Lafayette Road 500 Lafayette Road	6	132,041 0	0		\$9.00 \$8.00	B tenants only	Meritex Enterprises Fred Koehler 651-228-4505
520 Lafayette Road 520 Lafayette Road	6	150,374 0	0		\$9.00 \$8.00	B tenants only	Meritex Enterprises Fred Koehler 651-228-4505
555 Park Office Building 555 Park Street	4	50,215 6,736	4,142	13,400	\$8.00 \$9.20	B	Kraus Anderson Dave Stalsberg 952-948-9398
Alliance Bank Center 55 East 5th Street	16	202,128 72,489	14,095	11,600	\$8-\$10.00 \$9.25	B	Security National Properties Shawn Wiski 651-221-0999
81 East 7th Street 81 East 7th Street	4 flrs above grade + the lower level	59,000 59,000	59,000	12,000	\$14-16 \$7.50	C	Commercial Real Estate Svcs, Inc. Pat Wolf 651-290-8890
Bremer Tower/Town Square fka Public Safety Town Square 445 Minnesota Street		220,405 13,164	5,732	varies	\$18-\$20.00 \$11.75	B	NorthStar Partners Aaron Barnard 952-465-3372
Brooks Building 366 Jackson Street	5	25,000 0	0	5,000	Gross \$15.00	C	Brooks Group Jaunae Brooks 651-231-2765
Capitol Office Building 525 Park Street	5	75,309 673	673	15,426	\$10-\$12.00 \$8.74	B/C	United Properties Tom Stella 651-734-2383
Capitol Professional Office Building 590 Park Street	4	34,668 11,187	4,027	9,125	\$8.00 \$10.28	B	Kraus Anderson Dave Stalsberg 952-948-9398
Degree of Honor Building 325 Cedar Street		81,500 5,000	3,200	6,885	\$6.00 \$8.17	C	Degree of Honor Building LLC Jim Crockarell 651-486-3905
Drake Building 60 Plato Blvd. East	4	83,182 6,500	4,105	20,795	\$10.00 \$9.69	C	Colliers Turley Martin Tucker Pete Dufour 612-347-9342
Ecolab University Center 386 North Wabasha Street	15	150,012 0		10,941	\$12.00 \$9.63	C	Welsh Companies Eric Rapp 952-837-3060
Empire Building 360 North Robert Street	7	55,000 10,000	6,000	7,800	Gross \$12-\$15.00	B	Power Management Nicky Scarella 651-298-9977
First National Bank Bldg. 332 Minnesota Street	31 West 16 East	662,854 175,862	22,768	10,213	Gross \$15.50-\$17.50 \$8.39	B	NorthStar Partners 952-465-3372 Aaron Barnard/Skye Cook or 3314
Gallery Professional Bldg. 17 West Exchange Street	8	105,433 37,277	13,957	13,957	\$16-\$18.00 \$11.13	B	Colliers Turley Martin Tucker Pete Dufour 612-347-9342
Gallery Towers 514 St. Peter Street	2 Commercial 20 Total	25,407 0	0	12,500	\$12.00 \$5.00	C	Ted Glasrud & Associates Paul Buchmayer 612-341-2651
Galtier Plaza 380 Jackson Street	7	217,992 57,919	15,000	varies per floor average - 23,000	\$6-\$10.00 \$9.05	B	NEA Galtier Nan Hynes 651-297-6739
Gilbert Building 413 Wacouta Street	Basement + 5 floors	35,303 17,238	11,000		\$9-\$10.00 \$5.90	C	Barb Lenehan 651-464-7000
Golden Rule Building 85 East 7th Place	7 including lwr level space	289,378 36,768	21,867	50,000	\$8-\$10.00 \$7.92	C (connected by skyway)	Commercial Real Estate Svcs, Inc. Pat Wolf 651-290-8890
Hamm Building 408 St. Peter Street	6 + skyway above grade	184,886 34,089	25,735	2 flrs/38,000 4 flrs/28,000	\$9.00 \$9.50	C	The Markham Co. of Saint Paul Kristel Hansen 651-222-2812

Class B continued

Name Address	# of Floors	Total S.F. Avail. S.F.	Contiguous Space	Floor Plate SF	Net Rate Op. & Taxes	Building (B) or Close (C)	Company Contact/Phone
Kellogg Square 111 East Kellogg Blvd.	3	43,484 17,093	8,788	varies	\$9.00 \$8.00	B	James Miller Investment Realty Co. Jim Miller 651-222-2561
Mears Park Centre* 230 East 5th Street		132,958 132,958	132,958	18,000	\$12.00 \$7.00	B	Sherman and Assoc. Ken Sherman 612-332-1157
One West Water Street 1 West Water Street	5	27,326 4,503	3,944	varies	\$8.00 \$8.00	B	James Miller Investment Realty Co. Jim Miller 651-222-2561
Park Square Court 400 East Sibley Street	6	129,321 8,000	8,000	26,000	\$8-\$9.00 \$7.78	B	Park Square Court Building, L.L.C. Jim Crockarell or Rob Crockarell 612-239-8200
Public Housing Agency Saint Paul 555 North Wabasha St.	4	48,525 2,238	1,310	14,503	Gross \$16.00	B & C	Public Housing Agency Saint Paul Ron Moen 651-292-6142
River Park Plaza 10 River Park Plaza	9	328,100 140,000	140,000	30,000-40,000	\$11-\$15.00 \$9.95	B	JLT Group Joe Meyer 651-641-1111
Saint Paul Building 6 West 5th Street	9	39,946 2,387	1,226		\$10.00 \$8.00	C	Commonwealth Properties Debra Burgwald 651-224-5845
Sibley Square 190 East 5th Street	8	206,390 41,547	15,258	27,593	\$9-\$11.00 \$8.03	B	Grubb & Ellis/North Co. John Oien/Heather Alderink 952-820-1600
US Bank Center 101 East 5th Street	26	360,989 47,297	14,083	12,556	\$9-\$12.00 \$11.07		The Heam Company William Thurmes 651-222-2048
Total S.F.		5,368,543					* August 2006 data used
Total Available S.F.		1,203,222					
							22.41%

Class C

Name Address	# of Floors	Total S.F. Avail. S.F.	Largest Contiguous Space	Floor Plate SF	Net Rate Op. & Taxes	Parking in Building (B) or Close (C)	Company Contact/Phone
213 East 4th Street (fka Home Styles Building) 213 East 4th Street	5	32,271 0	0	6,454	\$5-\$8.00 \$8.00	C	Welsh Companies Eric Rapp 952-837-3060
360 Cedar (fka Bremer Bank Building) 50 East 5th Street	4	42,138 42,138	42,138	8,103	\$5-\$10.00 \$8.90	B/C	Welsh Companies Nils Snyder 612-240-9292
Allen Building 287 East 6th Street	7	112,553 15,705	5,000		Gross \$9-\$15.00	C	Dacotah Properties Sandra Erickson 651-224-2907
Commerce Building 8 East 4th Street	5	41,500 0	0	8,300	Gross \$14-\$16.00	C	Common Bond Pam Schmidt 612-205-0221
Exchange Building 26 East Exchange Street	7	65,000 1,322	725		Net \$8-\$10.00 \$7.25	C	Commonwealth Properties Debra Burgwald 651-224-5845
Goff & Howard Building 255 East Kellogg Blvd.	2	26,000 18,000	13,000		Gross \$15.00		Goff & Howard Paula Howard 651-292-8062
Grace Building 421 North Wabasha Street	3	40,500 8,000	15,000	15,000	\$3.00 \$4.75	C	Victory Capital Corporation Randy Geller 651-222-8971
JAX Building 253 East 4th Street	5	60,000 5,045	3,347		\$8.00 \$4.00	B	James Miller Investment Realty Co. Jim Miller 651-222-2561
Labor Professional Center 411 Main Street	4	28,000 3,500	2,000	8,000	Gross \$16.00 \$12.50	B	GRM Holdings, L.L.C. George McMahon 651-292-9493
Landmark Center 75 West 5th Street	6 above ground 2 below ground	48,012 2,300	1,000	varies between 14,700 to 15,700	\$7.54 \$10.50	C	Minnesota Landmarks Steve Budas 651-292-4375
Liberty Square 133 East 7th Street	4	50,000 12,750	12,750	13,000	\$4-\$8.00 \$6-\$8.00	B	Flagship USA Bill Weller 612-750-8877
Lowry Professional Bldg 350 St. Peter Street	3	116,900 10,411	4,271		\$8.17	B	Halverson Blaiser Clint Blaiser 651-227-7053
Market House 289 East 5th Street	3	34,000 31,500	15,000		Gross \$17-\$19.00	C	United Properties Rob Davis 651-734-2386
Metro Square Building 121 East 7th Place	5	386,308 200,512	110,000	60,712	\$9-\$10.00 \$7.05	C	Grubb & Ellis/NorthCo John Oien/Heather Alderink 952-820-1600
Northwestern Building 275 East 4th Street	8	81,322 16,716	10,457	Approx. 10,000 each floor	Gross \$12.00	C	Halverson Blaiser, LTD Amy Petersen 651-227-7053
O'Connor Building* 266 East 7th Street	4	20,000 20,000	10,000	4,000	Gross \$15.00	C	Brooks Group Jaunae Brooks 651-231-2765
Railroader Printer Building* 235 East 6th Street	5	35,053 24,203	11,211	8,000	Gross \$15.00	C	Brooks Group Jaunae Brooks 651-231-2765
University Club Downtown 340 Cedar Street	13	30,000 9,500	9,500		Net \$10-\$11.00 \$7.00	C	Commonwealth Properties Debra Burgwald 651-224-5845
Total S.F.		1,249,557					* February 2007 data used
Total Available S.F.		421,602					
							33.74%

Sublease Space

Name/Class	Address	Sublease S.F.	Contact	Phone
Lawson Commons	A 380 St. Peter Street	34,000	Tom Stella	651-734-2383
Gilbert Building	B 413 Wacouta Street	2,975	Barb Lenehan	651-464-7000
Saint Paul Building	B 6 West 5th Street	2,279	Debra Burgwald	651-224-5845
Total		39,254		

Government

Central Business District Continued...

Name	Address	Total S.F.	Entity	Contact	Phone
321 Grove Street 1 & 2	321 Grove Street	53,950	State of Minnesota	Bev Kroiss	651-201-2540
90 West Plato	90 West Plato	80,000	Ramsey County	Jolly Mangine	651-266-2261
Administration Building	50 Sherburne Avenue	72,832	State of Minnesota	Bev Kroiss	651-201-2540
Capitol Building	75 Rev. Dr. Martin Luther King Jr. Blvd.	313,515	State of Minnesota	Bev Kroiss	651-201-2540
Centennial Building	658 Cedar Street	282,062	State of Minnesota	Bev Kroiss	651-201-2540
City Hall Annex	25 West 4th Street	114,000	City of Saint Paul	Dave Nelson	651-266-8860
City Hall/Courthouse	15 West Kellogg Blvd.	240,000	Ramsey County	Jolly Mangine	651-266-2261
Don Junemann Building	555 Cedar Street	27,000	Ramsey County	Jolly Mangine	651-266-2261
Elmer L. Anderson Building	540 Cedar Street	373,215	State of Minnesota	Bev Kroiss	651-201-2540
Eugene McCarthy Post Office	180 East Kellogg Blvd.	460,000	U.S. Government	Phil Plagge	651-293-3075
Ford Building	117 University Avenue	51,613	Real Estate Management	Bev Kroiss	651-201-2540
Griffin Building	367 Grove Street	100,000	City of Saint Paul	Dave Nelson	651-266-8860
Harold E. Stassen Building	600 North Robert Street	394,827	State of Minnesota	Bev Kroiss	651-201-2540
Judicial Center, Minnesota	25 Rev. Dr. Martin Luther King Jr. Blvd.	232,670	State of Minnesota	Bev Kroiss	651-201-2540
Juvenile Family Justice Center	25 West 7th Street	59,000	Ramsey County	Jolly Mangine	651-266-2261
Law Enforcement Center	425 Grove Street	100,000	Ramsey County	Jolly Mangine	651-266-2261
Metropolitan Council Bldg (fka Economic Security Bldg)	390 North Robert Street	116,129	Metropolitan Council	Michael Karels	651-602-1767
Orville L. Freeman Building	625 North Robert Street	297,595	State of Minnesota	Bev Kroiss	651-201-2540
Public Safety Annex	100 East 10th Street	53,162	City of Saint Paul	Dave Nelson	651-266-8860
Public Safety Building	100 East 11th Street	60,720	City of Saint Paul	Dave Nelson	651-266-8860
Ramsey County Government Ctr - East	160 East Kellogg Blvd.	237,518	Ramsey County	Jolly Mangine	651-266-2261
Ramsey County Government Ctr - West	50 West Kellogg Blvd.	400,000	Ramsey County	Jolly Mangine	651-266-2261
State Lab Building	610 North Robert Street	166,309	State of Minnesota	Bev Kroiss	651-201-2540
State Office Building	100 Rev. Dr. Martin Luther King Jr. Blvd.	256,530	State of Minnesota	Bev Kroiss	651-201-2540
Transportation Building	395 John Ireland Blvd.	318,296	State of Minnesota	Bev Kroiss	651-201-2540
Veterans Service Building	20 West 12th Street	78,511	State of Minnesota	Bev Kroiss	651-201-2540
Warren E. Burger Federal Courts Bldg	316 North Robert Street	339,249	U.S. Government	Cha You	651-290-4442
Total		5,278,703			<i>* February 2007 data used</i>

Owner-Occupied

Name	Address	Total S.F.	Entity	Contact	Phone
317 On Rice Park	317 Washington Street	24,000	Minnesota Wild	Tim Wolfgram	651-602-6000
401 Building	401 North Robert Street	572,044	Minnesota Life	Ann Stahley	651-248-6946
Chicago Greatwestern Freight Condos	381 East Kellogg Blvd.	50,160	Swanson & Associates	Mic Hunter	651-224-4335
Diamond Products Company Building	310 East 5th Street	35,000	Staubach Company	Mark Evenson	612-341-6740
Ecolab Corporate Center	370 North Wabasha Street	238,088	Ecolab, Inc.	Jim Jachymowski	651-293-2307
Ecolab Global Communications Center	360 North Wabasha Street	72,815	Ecolab, Inc.	Jim Jachymowski	651-293-2307
Jemme Building	305 St. Peter Street	25,000	Wold Architects & Engineers	Virginia Dahm	651-227-7773
League of Minnesota Cities Building	145 West University Avenue	56,000	League of Minnesota Cities	Nancy Tindall	651-215-4014
Market Street Towers	70 West 4th Street	339,000	Qwest	Bill Eakins	651-221-4962
Minnesota Public Radio Building*	45 East 7th Street	160,000	Minnesota Public Radio	Tim Stromgren	651-290-1509
Saint Paul Pioneer Press Building	345 Cedar Street	150,000	Saint Paul Pioneer Press	Bruce Jentink	651-228-5070
Science Museum of Minnesota*	120 West Kellogg Blvd.	40,000	Science Museum of MN	Tom Carlson	651-221-4774
St. Paul Radiology Building aka Community Services Building	166 East 4th Street	52,800	St. Paul Radiology		
The Travelers Cos.	385 Washington Street	1,000,000	St. Paul Travelers	Jim Scannell	651-310-3393
Twin Cities Public Television Building*	172 East 4th Street	85,000	Twin Cities Public Television	Keith Olson	651-229-1396
U.S. Bank West Side Flats Operation Ctr	60 Livingston Avenue	350,000	U.S. Bank	David Grandpre	651-495-3136
Total		3,249,907			<i>* February 2007 data used</i>

Medical Office

Name	Address	Total S.F.	Entity
Capitol Professional Office Building	590 Park Street	34,668	Kraus Anderson
Children's Hospital	345 Smith Avenue	159,085	Children's Hospitals and Clinics of Minnesota
Doctor's Professional Building	280 Smith Avenue	101,664	United Properties
Fort Road Medical	360 Sherman Street	50,053	NATH
Gallery Professional Building	17 West Exchange Street	105,433	Colliers Turley Martin Tucker
Gallery Towers	514 St. Peter Street	25,407	Ted Glasrud & Associates
Garden View	347 Smith Avenue	153,629	Allina, Children's and Frauenshuh
HealthPartners Specialty Center 401	401 Phalen Parkway	124,000	HealthPartners
HealthPartners Specialty Center 435	435 Phalen Parkway	82,243	HealthPartners
John Nasseff Medical Center	255 Smith Avenue	43,689	Smith Avenue Realty Association
Nasseff Specialty Center	225 Smith Avenue	133,000	Smith Avenue Realty Association
Regions Building #1	640 Jackson Street	676,177	Regions Hospital
Regions Building #2	640 Jackson Street	65,917	Regions Hospital
Regions Building #3	640 Jackson Street	74,649	Regions Hospital
Regions Building #5	640 Jackson Street	156,620	Regions Hospital
Ritche Medical Plaza	310 Smith Avenue	114,706	Allina, NATH
St. Joseph's Hospital	69 West Exchange Street	500,000	HealthEast
St. Paul Radiology	250 Thompson	21,334	St. Paul Radiology
United Hospital	333 Smith Avenue	671,425	Allina Health System
Total		3,293,699	

Tenant Mix

	Competitive Class	Government	Corporate/Business	Legal	Banking	Financial	Medical/Health	Retail/Restaurants	Arts/Entertainment	Residential/Housing	Other (Small Bus., Railroad)	Non-Profit	Total
180 East 5th Street	B	19	15	1		5	25	1	1		33		100
375 Jackson Street	B	32	53		2	3	3					7	100
400 Building	A	15	50	7	13	7	1	3			4		100
443 Lafayette Road	B	100											100
444 Lafayette Road	B	100											100
500 Lafayette Road	B	100											100
520 Lafayette Road	B	100											100
555 Park Office Building	B		100										100
Alliance Bank Center	B	8	56	14				1				21	100
Allen Building	C		21	1			8		9		70		100
Bremer Bank Building	C		7	36	56		1						100
Bremer/NCL	A	70	15	5	10								100
Capitol Office Building	B	70	15	15									100
Capitol Professional Office Building	B		42				22					36	100
Commerce Building	C	92		3				5					100
Community Services Bldg	B											100	100
Drake Building	B		61		6			1				32	100
Ecolab University Center	B		82	10			7	1					100
Empire Building	B		70	13	17								100
First National Bank Bldg	B	25	50	25									100
Gallery Professional Bldg	B	.5	2				97	.5					100
Gallery Towers	B						100						100
Galtier Plaza	B	35	53	1	1			10					100
Gilbert Building	B					20	9				71		100
Goff & Howard Building	C										100		100
Golden Rule Building	B	93				5		2					100
Hamm Building	B		54	15				1			30		100
Labor Professional Center	C				9		25				66		100
Landmark Center	C		5	5				5	74		11		100
Landmark Towers	A		70	5	20						5		100
Lawson Commons	A		95					5					100
Lowry Professional Bldg	C		42	3			3	21	10		21		100
Mears Park Centre	B	100											100
Metro Square Building	C	99					1						100
Northwestern Building	C							6	41		18	35	100
Park Square Court	B	10	56			15		4				15	100
Pioneer-Endicott Bldgs	C			20		60		15			5		100
Public Housing Agency Saint Paul	B	66				26	5						100
Public Safety-Town Square	B	66			3	1		30					100
Railroader Printer Bldg	C		75					25					100
River Park Plaza	B		100										100
Sibley Square	B	84	8				8						100
U.S. Bank Center	B		29	6	43		2	18			2		100
USB Plaza (fka Piper Jaffray Plaza)	A		30	20	30						20		100
Wells Fargo Place	A	36	22	14	12	12	2	2					100

Numbers reported are percentages of occupied space

The Leasing and Marketing Committee of the Greater Saint Paul Building Owners and Managers Association:

Wayne Kuykendall, *Co-chair, Frauenshuh Companies*

Pat Wolf, *Co-chair, Commercial Real Estate Services, Inc.*

Pete Dufour, *Colliers Turley Martin Tucker*

Eric King, *United Properties*

Eric Rapp, *Welsh Companies*

Dick Zehring, *MSP Commercial Companies*



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