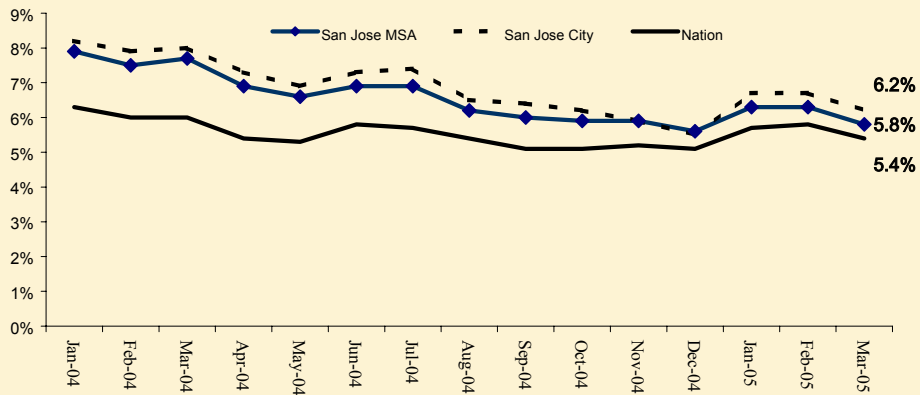


Economic Indicators

April 20, 2005

SAN JOSE MSA UNEMPLOYMENT RATE FALLS

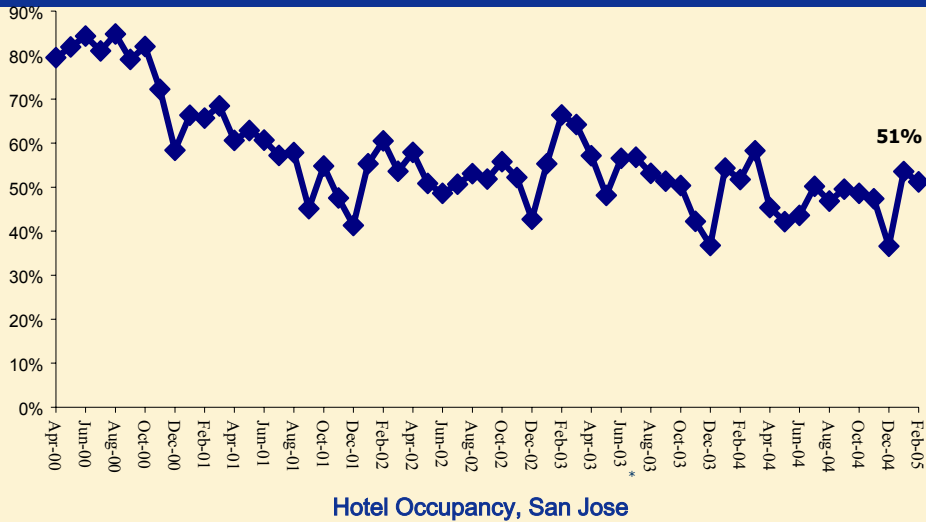


46,200 Santa Clara County residents, including 26,400 San Jose residents, are "officially" unemployed

Source: Employment Development Department

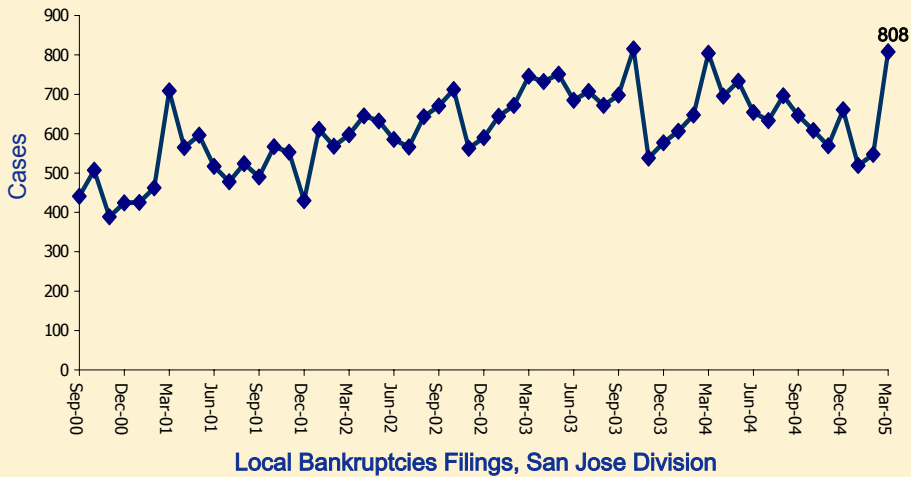
Starting January 2005, the EDD is using a new MSA definition San Jose-Sunnyvale-Santa Clara (Santa Clara and San Benito Counties)

GROUP SALES SUSTAIN OCCUPANCY RATE



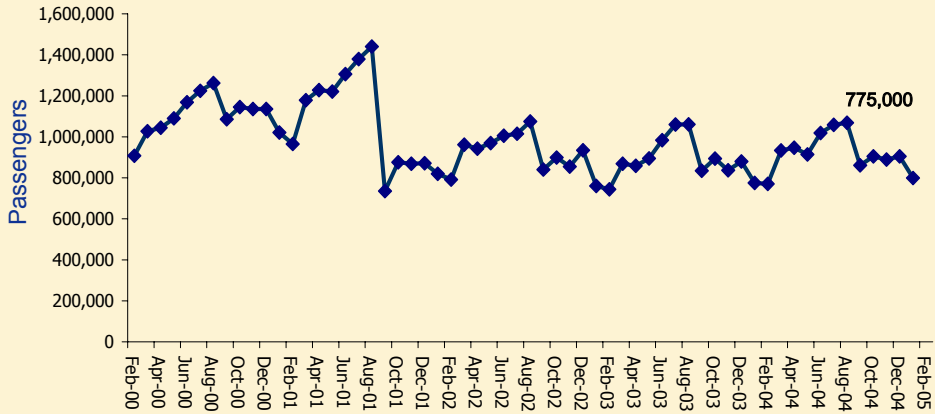
Source: San Jose Convention & Visitors Bureau
 *New Marriott Hotel added July 2003

BANKRUPTCIES HIT USUAL MARCH SPIKE



Source: U.S. Bankruptcy Court

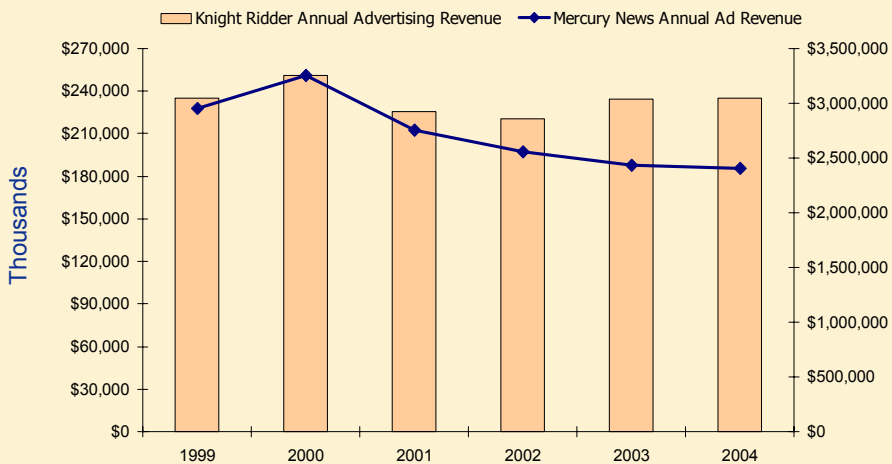
AIRPORT PASSENGER TRAFFIC DIPS IN FEBRUARY



Passenger Traffic, Mineta San Jose International Airport

Source: Mineta San Jose International Airport, Calendar Year

DECLINE IN LOCAL AD REVENUE BOTTOMS OUT



Source: Knight Ridder

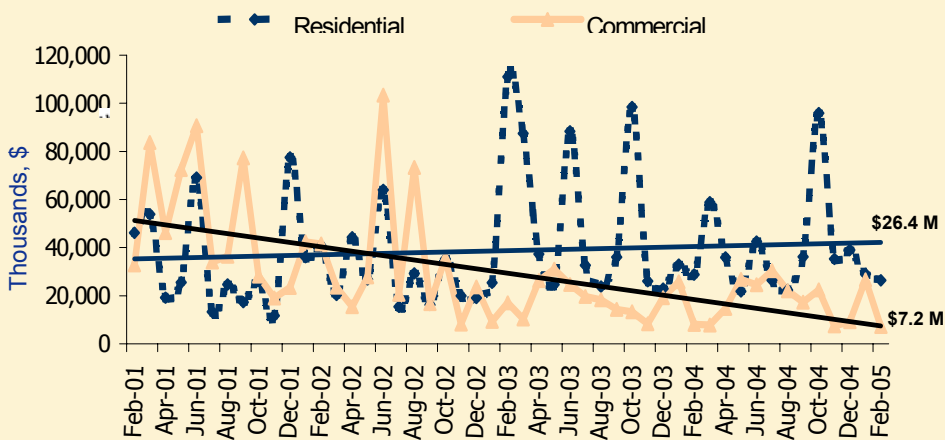
SAN JOSE HAS SMALL SHARE OF NEW VENTURE-BACKED COMPANIES

	San Jose	Silicon Valley
4 th Quarter 2004	12 (5%)	219
3 rd Quarter 2004	20 (11%)	179
2 nd Quarter 2004	24 (10%)	230
1 st Quarter 2004	8 (4%)	193
4 th Quarter 2003	16 (8%)	213

San Jose has 31% of Silicon Valley jobs and 39% of residents

Source: Mercury News, SiliconValley.com

COMMERCIAL BUILDING PERMIT VALUATIONS REACH 5-YEAR LOW



Building Permit Valuations, San Jose

Source: San Jose Planning Department

SAN JOSE'S INDUSTRY STRUCTURE

Industry	Employees	Companies	Average Firm Size
Computer & Communications	25,255	87	290
Software	17,398	1,013	17
Semiconductors	13,461	185	73
Innovation Services	11,766	1,470	8
Bioscience	7,765	143	54
Electronic Components	7,186	117	62
Corporate Offices	5,185	82	64
Visitor	5,006	95	53
Total	93,021	3,190	29

Driving Industries are 26% of the San Jose Job Base

Source: EDD Data, 1st and 2nd Quarter 2004

SAN JOSE'S INDUSTRY STRUCTURE

Industry	Employees	Companies	Average Firm Size
Retail/Consumer Services	72,567	5,529	13
Civic	69,975	1,415	49
Business Services	34,349	1,539	22
Building/Construction/Real Estate	23,873	2,479	10
Health Care	19,503	1,508	13
Transportation/Distribution	18,950	1,134	17
Financial Services	8,836	933	9
Industrial Supplies and Services	7,234	404	18
Miscellaneous Manufacturing	4,148	305	14
Creative Services	3,137	444	7
Other	682	74	72
Totals	263,252	15,761	17

Business/People Support Industry are 74% of the San Jose Job Base

Source: EDD Data, 1st and 2nd Quarter 2004