

**JMBM 2010 CALIFORNIA  
REAL ESTATE & LAND USE  
SURVEY RESULTS**

**Respondents in 2009: 79**  
**Respondents in 2010: 98**

**1. Which best describes your approach to the real estate market for 2010?**

Approach	2010	2009
Cautious	73%	69%
Bearish	11%	22%
Bullish	10%	6%
Staying out	4 %	3%

**2. What is the greatest challenge your business currently faces?**

Challenge	2010	2009
Finding the right opportunities for investment	# 1	# 2
Protecting existing investments	# 2	# 3
Acquiring debt	# 3	# 1
Restructuring/working out stalled projects	# 4	# 5
Managing buyer/seller expectations	# 5	# 6
Acquiring equity	# 6	# 4
Getting projects entitled	# 7	# 7

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**3. How do "distressed assets" play a role in your strategy for 2010? (Check all that apply.)**

Statement	Percentage in Agreement 2010	Percentage in Agreement 2009
We are seeking opportunistic acquisition of distressed assets	60%	70%
We think current distressed assets have not yet seen bottom	51%	54%
We are seeking advantageous restructure of distressed assets	24%	27%
We are interested only in distressed liens (rather than properties)	5%	4 %
We intend to stay away from distressed assets	9 %	4%

**4. Have you seen any benefit to your business from the American Recovery & Reinvestment Act (the "Stimulus Bill")?**

No	95%
Yes	5%

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**5. If you believe that 2010 is a good time to entitle or re-entitle properties, which of the following statements do you agree with? Check all that apply.**

Statement	Percentage in Agreement 2010	Percentage in Agreement 2009
Zoning authorities will be more lenient during bad economic times	43%	65%
Projects can be approved faster due to lack of applications, thereby saving money	46%	58%
Applicants can be more aggressive with their applications during bad economic times	44%	55%
There will be less neighborhood opposition to a project during high unemployment times	24%	21%

**Comments**

Planning departments have cut staff, which will slow the process despite the issues above.

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**6. If the FDIC accelerates the closure of banks in 2010, what impact will it have on the real estate market?**

It will cause further damage to the market	46%
It will help the market rebound	28%
It will have no impact	12%
N/A	13%

**Comments**

Could help if they sell properties at realistic prices.  
It will accelerate reaching the bottom, and then rebound.  
It will slow the process down -- the new bank has 5 years to maximize value.  
It reduces the alternatives, especially for the regional investor.

**7. Do you think that acquiring debt in 2010 will be easier, harder or the same?**

Easier	39%
Harder	46%
Same	8%
N/A	7%

**Comments:**

Low leverage and strict requirements is the new normal.  
A challenge in that it will no longer be called "conventional".

**8. Do you think that acquiring equity in 2010 will be easier, harder or the same?**

Easier	44%
Harder	44%
Same	7%
N/A	5%

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**9. How would you describe your company?**

Developer	49%
Capital provider / investor	49%
Other	2%

**10. What areas of real estate do you focus on? Check as many that apply.**

Percentage of Respondents 2010	Percentage of Respondents 2009	Area of Real Estate
54%	64%	Apartments/condominiums
47%	49%	Mixed Use
46%	45%	Retail
38%	44%	Office
32%	35%	Industrial
31%	32%	Land
26%	27%	Hotel
32%	22%	Single Family
10%	15%	Other

**We would like to thank the 98 executives who participated in our 2010 survey.**

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