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Mission West Properties, Inc. Q3 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. (Operator instructions) Our first question comes from Erin Aslakson from Stifel Nicolaus.

Erin Aslakson – Stifel Nicolaus

Hi, good morning. How are you, guys?

Carl Berg

Hi.

Erin Aslakson – Stifel Nicolaus

Hey, thank you for taking my questions. First quick question was about the FFO guidance. Did I hear that you mentioned \$0.55 per share for '09 as well?

Carl Berg

Yes.

Erin Aslakson – Stifel Nicolaus

\$0.55 to \$0.60 range for '08.

Carl Berg

\$0.75 to \$0.56.

Erin Aslakson – Stifel Nicolaus

Oh \$0.55 to \$0.56. Thank you, good correction.

Carl Berg

And we believe that's the very minimum in 2009. That's not assuming any new leases. It's not assuming much of anything. And so that 2009 will be better net, unless the economy grabs us down, and we're unable to lease much of anything.

Erin Aslakson – Stifel Nicolaus

And no term fees and things like that?

Carl Berg

No.

Erin Aslakson – Stifel Nicolaus

Okay. Okay, great. Thank you. And your other major lease expirations, you guys are expecting only 52,000 additional.

Carl Berg

In the year 2008 and (inaudible), 208,000 in 2009.

Erin Aslakson – Stifel Nicolaus

Okay. Do you expect to be able to make up those or see those in new leases or—?

Carl Berg

Yes. We don't that'll be a problem. We definitely think we will exceed the 209,000 that we're losing in 2009.

Erin Aslakson – Stifel Nicolaus

Excellent. That's good news. It looks like that the terms of the new Hartford loan were fairly good there. Was there a – what's the difference between the borrowing bases of the two loans.

Carl Berg

Basically, it was very similar to what we had in the projection. We did change a few things around because there were a couple of properties that we want to get out of the loan base. And we had a couple of properties that were vacant that we substituted with properties that were leased.

Basically, Ray worked about two months getting that done, and did one [expletive] of a job to get it closed because about two or three days after that, Hartford ended up having to borrow \$2.5 billion from Elliot, so.

Erin Aslakson – Stifel Nicolaus

Oh gees.

Carl Berg

Yes. We're very lucky that we got that done as Ray did one [expletive] of a job. He spent nearly two months doing nothing, but working on that lease, putting that loan.

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