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## First Potomac Realty Trust Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you, sir. (Operator Instructions). And our first question is coming from the line of Jordan Sadler with KeyBanc Capital Markets. Please go ahead.

#### Jordan Sadler - KeyBanc Capital Markets Inc.

Thanks. Good morning guys. Hey, Barry could you just clarify for me, you discussed it quickly on the guidance there. You said you previously had \$0.13 of gains in there and now you've got \$0.15 year-to-date. Were there any changes in any of the underlying assumptions there? It sounds like the same-store align numbers and the bad debt numbers were holding steady relative to last time. Any offset or you're just kind of holding the range?

#### Barry Bass

We're holding the range. I mean, it's only been two months since we issued the last guidance. We basically thought for \$0.02. It wasn't worth changing the range and all the other underlying assumptions do remain the same.

#### Jordan Sadler - KeyBanc Capital Markets Inc.

They do, okay. And then, I guess this one comes back to Skip. Skip, you talked about the leasing cost as you relate it to the new leases. But I was just looking at the renewal costs associated with renewals and CapEx looks like it's up pretty significantly versus 2008 levels. I'm not sure I heard you comment about that. Could you maybe put some color around that. Looks like \$1.35 per square foot per year versus \$0.60 last year.

#### Skip Dawson

Sure, I'll be happy to. We had a number of big leases that were executed down south; that had already predetermined TI's (ph) in the renewals along with... in our southern region we have a third party leasing which it kind of extends on both sides of the transactions. I do you see that coming back in line, as we get through the year back to a \$3 run rate per square foot.

#### Jordan Sadler - KeyBanc Capital Markets Inc.

Okay. When you say that predetermined TI in the renewals that was in the prior lease or...

#### Skip Dawson

That's correct. If they exercise renewals and they were... we're going to receive some of the TI dollars in the transaction. We had that in one of our leases and then we had a one transaction which also down south and has an extension along with that and that had additional TI dollars with the extension and also with renewal.

**Jordan Sadler - KeyBanc Capital Markets Inc.**

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