

CHARTER FOR THE REAL ESTATE COMMITTEE

1. PURPOSE

The purpose of the Real Estate Committee (“Committee”) is to advise in the development of general real estate policies, principles, guidelines, goals, criteria, parameters, and objectives and to approve the Corporation’s documented real estate strategy in both a long-term and annual real estate plan. Once established, the long-term strategy, annual plan, budget and parameters will serve as management's guideline and direction in achieving the Corporation's goals.

2. COMPOSITION OF THE REAL ESTATE COMMITTEE

The Committee shall consist of not less than three directors, at least two of whom shall be an independent director and one of whom shall be President of SJW Land Company. Each Committee member shall be subject to annual reconfirmation and may be removed by the Board at any time. Consistent with the Corporate Governance Policies, the Chairman shall be selected by the full Board.

3. RESPONSIBILITIES AND DUTIES

The Committee shall perform such actions as necessary and appropriate to exercise the purposes set forth above. The Committee shall review and approve management’s written long-term real estate strategy and annual real estate plan.

The Committee shall review significant potential acquisitions or dispositions involving the real property interests of the Corporation and its subsidiaries and make recommendations thereon to the Chief Executive Officer and the full Board.

The Board intends that the Committee shall become, on behalf of the Board, the repository for practical experience and knowledge of the local real estate industry as it develops and evolves over time. The Committee shall encourage and monitor liaison between its subsidiaries and industry, government, and other related organizations, which affect the Corporation’s activities. The Committee shall review and discuss subjects related to the local real estate industry and initiate the identification and consideration of emerging professional and regulatory issues with the Board.

4. COMMITTEE MEETINGS

The Committee shall convene quarterly or more often as necessary to act upon any matter within its Charter. A majority of the total number of members of the Real Estate Committee shall constitute a quorum at all Committee meetings. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Minutes of each meeting

will be maintained and reports of all actions taken by the Committee will be presented at the next regular Board meeting for final approval.

Adopted by the Board: January 29, 2004