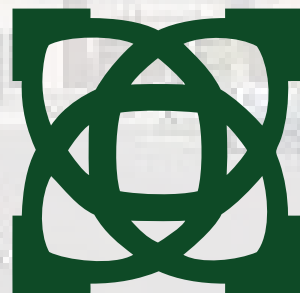


GAUGHAN COMPANIES

Annual Market Report



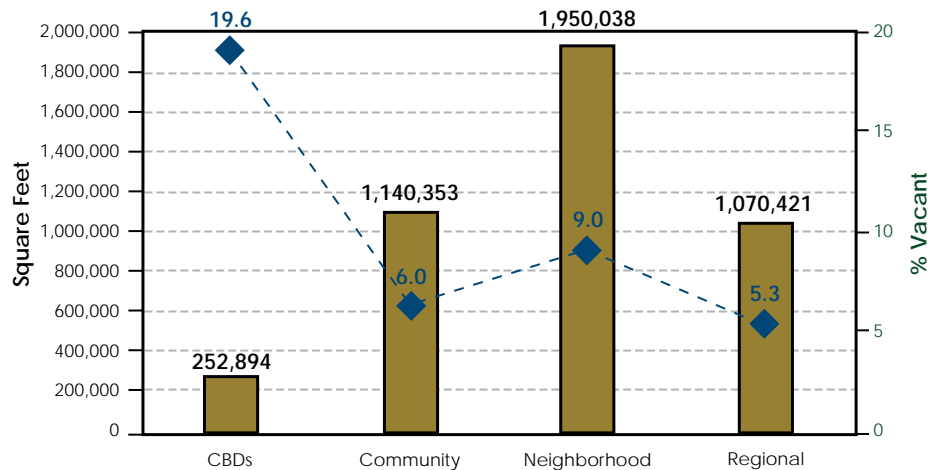
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C O M P A N I E S

2010

Retail

Annual Retail Market Report

VACANCY BY CENTER TYPE



AVAILABLE BUILDING INVENTORY – SALE & LEASE

Number of Listings by Center Type

Sale Listings

CENTER TYPE	Neighborhood Centers		Community Centers		Regional Centers		Downtown Retail	
	2007	2008	2007	2008	2007	2008	2007	2008
	28	36	4	12	1	2	0	0

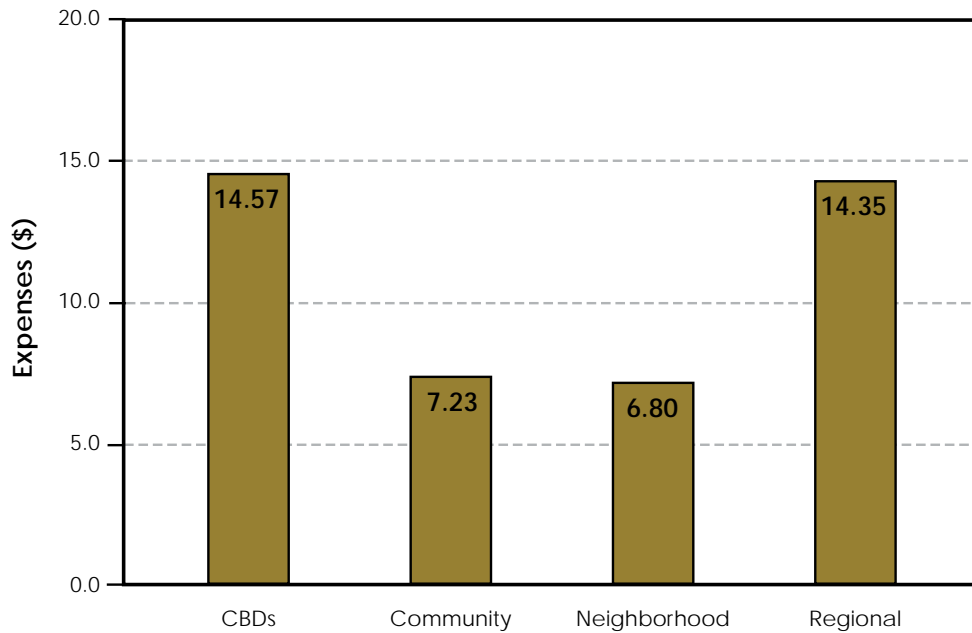
Lease Listings

CONTIGUOUS SF	0-10,000 SF		10-25,000 SF		25-50,000 SF		50-100,000 SF		100,000+ SF	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Neighborhood Centers	279	288	65	56	18	17	1	3	0	1
Community Centers	48	69	22	32	8	15	5	8	1	2
Regional Centers	14	15	5	6	4	3	2	0	2	0
Downtown Centers	10	8	4	3	0	0	0	0	0	0

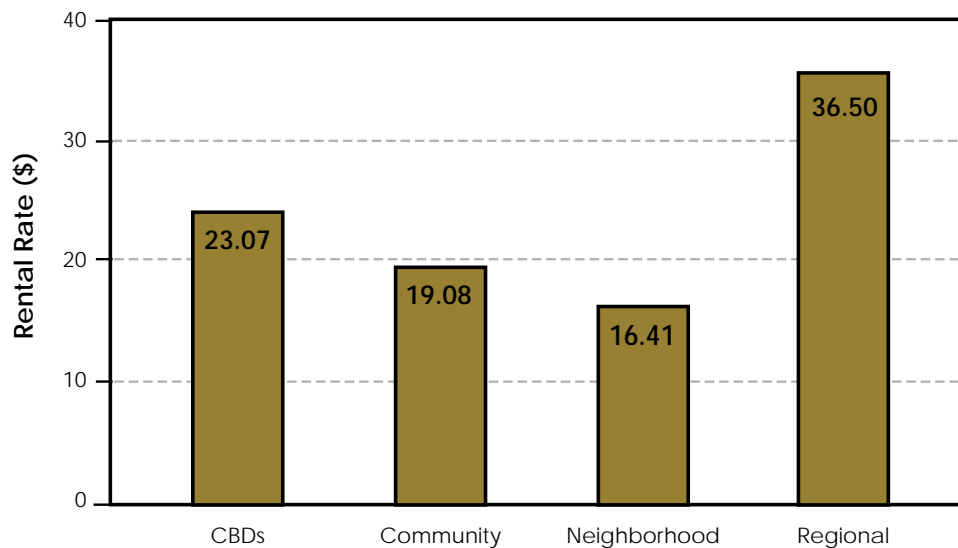
NOTABLE DEVELOPMENTS

NAME	CITY	SQ. FOOTAGE	DEVELOPER	STATUS	RETAILERS
West End	St. Louis Park	350,000	Duke/Jeffery Anderson	U/C	Kerasotas, Roundy's Fresh
Spirit River Phase I	Cambridge	250,000	Opus	U/C	Lowe's & Kohls
Windsor Plaza	Eden Prairie	60,000	Solomon Real Estate	U/C	Kona Grill, Hot Mama, Jason Deli
North Branch Marketplace	North Branch	70,000	Solomon Real Estate	U/C	County Market (80,000 SF Shopko is open)

AVERAGE TOTAL EXPENSES BY CENTER TYPE



QUOTED NET RENTAL RATES BY CENTER TYPE



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2008 MARKET OVERVIEW

MARKET	Total Universe SF 2008	Vacant SF 2008	% Vacant 2008	Avg Quoted Rate (\$) 2008	Avg Op Exp/SF 2008	Avg Taxes/SF 2008
CBDs	1,291,746	252,894	19.6	23.07	10.83	3.74
Community	18,991,405	1,140,353	6.0	19.08	3.14	4.09
Neighborhood	21,566,616	1,950,038	9.0	16.41	3.34	3.46
Regional	20,205,646	1,070,421	5.3	36.50	7.00	7.35
TOTAL MARKET	62,485,413	4,413,706	7.1	18.92	3.82	3.92

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GROUND RULES

- Multi-tenant retail properties in the 7-county metro area in excess of 30,000 square feet.
- Rental rates are based on quoted net rates exclusive of transaction costs. Actual effective rates will vary.

DEFINITIONS

- Existing Projects: Building construction completed prior to December 31, 2008.
- Vacant space: Space that is unoccupied and not under lease.
- Absorption: The positive or negative difference in the amount of space occupied between December 31, 2007 and December 31, 2008.
- Space that is physically occupied by a tenant prior to December 31st, 2008, but marketed for lease is considered occupied space.
- Sublease space, either physically occupied or vacant, is considered occupied space in the universe until the lease expires.
- Space occupied by a tenant on a month-to-month lease that is also marketed for lease to a new, long-term tenant is considered occupied space.
- The report does not track "shadow" space, or buildings that are leased by tenants who are not using the space but not trying to sublease it.
- Contiguous space: Having a common boundary; space that is directly adjacent to another space or spaces.
- Average quoted rates were based on single, double, or triple net rates.

PROFILE OF PROJECT TYPES

Regional Center: 400,000 square feet and up

Community Center: 150,000-399,999 square feet

Neighborhood Center: 30,000-149,999 square feet

Central Business Districts of Minneapolis & St. Paul: Regardless of square footage



Patrick Gaughan
President

(651) 255-5555
PatrickGaughan@GaughanCompanies.com



John Chirhart
Commercial Sales & Leasing

(651) 255-5559
JohnChirhart@GaughanCompanies.com



Penny Yohnk
VP Operations

(651) 255-5565
PennyYohnk@GaughanCompanies.com



George Novak
Commercial Sales & Leasing

(651) 255-5556
GeorgeNovak@GaughanCompanies.com



Dan Hebert
VP Commercial Accounts

(651) 255-5558
DanHebert@GaughanCompanies.com



Mandy Novak
Commercial Sales & Leasing

(651) 255-5557
MandyNovak@GaughanCompanies.com



Julie Nash Smith
Commercial Sales & Leasing

(651) 255-5552
JulieNashSmith@GaughanCompanies.com



Joseph Minwegen
Commercial Sales & Leasing

(651) 255-5549
JosephMinwegen@GaughanCompanies.com



Lou Suski
Commercial Sales & Leasing

(651) 255-5570
LouSuski@GaughanCompanies.com



Kristen Ives
Property Manager

(651) 255-5568
KristenIves@GaughanCompanies.com



David Glass
Commercial Sales & Leasing

(651) 255-5548
DavidGlass@GaughanCompanies.com



Liz Neudecker
Project Coordinator

(651) 255-5554
LizNeudecker@GaughanCompanies.com



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COMPANIES

www.GaughanCompanies.com