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C O M P A N I E S

Minneapolis Industrial Market

Third Quarter 2011



A Solid Foundation Since 1969

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MINNEAPOLIS INDUSTRIAL MARKET

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MINNEAPOLIS INDUSTRIAL MARKET

TERMS & DEFINITIONS

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certificate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

MINNEAPOLIS INDUSTRIAL MARKET

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

MINNEAPOLIS INDUSTRIAL MARKET

OVERVIEW

MINNEAPOLIS'S VACANCY DECREASES TO 7.1% Net Absorption Positive 572,670 SF in the Quarter

The Minneapolis Industrial market ended the third quarter 2011 with a vacancy rate of 7.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 572,670 square feet in the third quarter. Vacant sublease space increased in the quarter, ending the quarter at 874,483 square feet. Rental rates ended the third quarter at \$5.81, an increase over the previous quarter. A total of two buildings delivered to the market in the quarter totaling 13,042 square feet, with 449,739 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Minneapolis Industrial market was positive 572,670 square feet in the third quarter 2011. That compares to negative (1,187,092) square feet in the second quarter 2011, negative (673,891) square feet in the first quarter 2011, and positive 827,976 square feet in the fourth quarter 2010.

The Flex building market recorded net absorption of positive 36,077 square feet in the third quarter 2011, compared to negative (615,882) square feet in the second quarter 2011, positive 119,697 in the first quarter 2011, and positive 254,584 in the fourth quarter 2010.

The Warehouse building market recorded net absorption of positive 536,593 square feet in the third quarter 2011 compared to negative (571,210) square feet in the second quarter 2011, negative (793,588) in the first quarter 2011, and positive 573,392 in the fourth quarter 2010.

Vacancy

The Industrial vacancy rate in the Minneapolis market area

decreased to 7.1% at the end of the third quarter 2011. The vacancy rate was 7.2% at the end of the second quarter 2011, 6.9% at the end of the first quarter 2011, and 6.7% at the end of the fourth quarter 2010.

Flex projects reported a vacancy rate of 10.6% at the end of the third quarter 2011, 10.6% at the end of the second quarter 2011, 9.8% at the end of the first quarter 2011, and 10.0% at the end of the fourth quarter 2010.

Warehouse projects reported a vacancy rate of 6.1% at the end of the third quarter 2011, 6.3% at the end of second quarter 2011, 6.1% at the end of the first quarter 2011, and 5.8% at the end of the fourth quarter 2010.

Largest Lease Signings

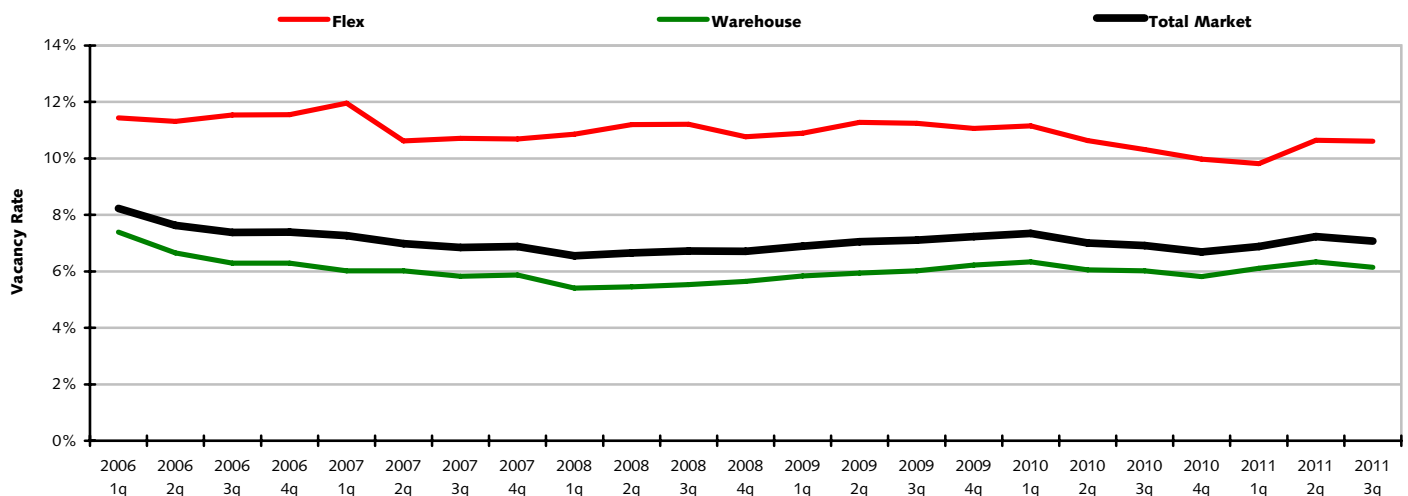
The largest lease signings occurring in 2011 included: the 140,000-square-foot lease signed by Dedicated Logistics at 5600 Hwy 169 N in the Northwest market; the 129,508-square-foot deal signed by Great Northern at LDI Distribution Center in the Northwest market; and the 129,120-square-foot lease signed by Magno at 5730 Main St NE in the North Central market.

Sublease Vacancy

The amount of vacant sublease space in the Minneapolis market increased to 874,483 square feet by the end of the third quarter 2011, from 834,493 square feet at the end of the second quarter 2011. There was 729,607 square feet vacant at the end of the first quarter 2011 and 693,275 square feet at the end of the fourth quarter 2010.

Minneapolis's Flex projects reported vacant sublease space of 96,430 square feet at the end of third quarter 2011, up from the 85,467 square feet reported at the end of the second quarter

VACANCY RATES BY BUILDING TYPE 2006-2011



Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

OVERVIEW

2011. There were 96,129 square feet of sublease space vacant at the end of the first quarter 2011, and 94,797 square feet at the end of the fourth quarter 2010.

Warehouse projects reported increased vacant sublease space from the second quarter 2011 to the third quarter 2011. Sublease vacancy went from 749,026 square feet to 778,053 square feet during that time. There were 633,478 square feet at the end of the first quarter 2011, and 598,478 square feet at the end of the fourth quarter 2010.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$5.81 per square foot per year at the end of the third quarter 2011 in the Minneapolis market area. This represented a 0.2% increase in quoted rental rates from the end of the second quarter 2011, when rents were reported at \$5.80 per square foot.

The average quoted rate within the Flex sector was \$7.79 per square foot at the end of the third quarter 2011, while Warehouse rates stood at \$5.30. At the end of the second quarter 2011, Flex rates were \$7.85 per square foot, and Warehouse rates were \$5.29.

Deliveries and Construction

During the third quarter 2011, two buildings totaling 13,042 square feet were completed in the Minneapolis market area. This compares to two buildings totaling 83,029 square feet that were completed in the second quarter 2011, one building totaling 14,509 square feet completed in the first quarter 2011, and 10,715 square feet in one building completed in the fourth quarter 2010.

There were 449,739 square feet of Industrial space under construction at the end of the third quarter 2011.

Some of the notable 2011 deliveries include: 4101 Arrowhead Dr, a 76,782-square-foot facility that delivered in

second quarter 2011 and is now 100% occupied, and 3143 NE 104th Ln, a 14,509-square-foot building that delivered in first quarter 2011 and is now 100% occupied.

The largest projects underway at the end of third quarter 2011 were Medline, a 300,000-square-foot building with 100% of its space pre-leased, and River Bend Business Park III, a 125,000-square-foot facility that is 0% pre-leased.

Inventory

Total Industrial inventory in the Minneapolis market area amounted to 357,020,422 square feet in 9,301 buildings as of the end of the third quarter 2011. The Flex sector consisted of 74,655,401 square feet in 1,942 projects. The Warehouse sector consisted of 282,365,021 square feet in 7,359 buildings. Within the Industrial market there were 535 owner-occupied buildings accounting for 47,780,115 square feet of Industrial space.

Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Minneapolis industrial sales figures fell during the second quarter 2011 in terms of dollar volume compared to the first quarter of 2011.

In the second quarter, 29 industrial transactions closed with a total volume of \$38,796,315. The 29 buildings totaled 996,561 square feet and the average price per square foot equated to \$38.93 per square foot. That compares to 20 transactions totaling \$55,805,045 in the first quarter. The total square footage was 1,475,467 for an average price per square foot of \$37.82.

Total year-to-date industrial building sales activity in 2011 is down compared to the previous year. In the first six months of 2011, the market saw 49 industrial sales transactions with a total volume of \$94,601,360. The price per square foot has averaged \$38.27 this year. In the first six months of 2010, the market posted 46 transactions with a total volume of \$102,100,241. The price per square foot averaged \$49.72.

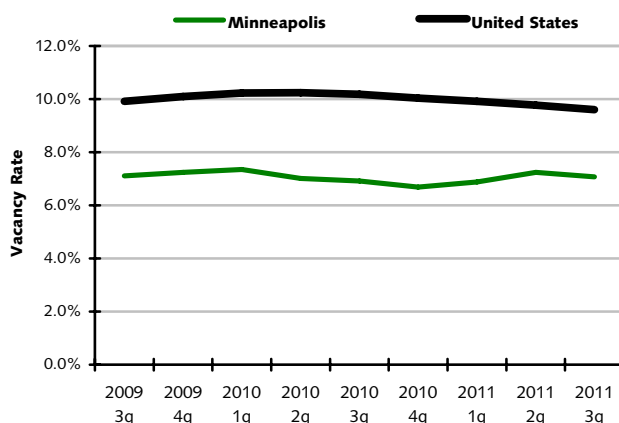
Cap rates have been lower in 2011, averaging 9.25%, compared to the first six months of last year when they averaged 9.98%.

One of the largest transactions that has occurred within the last four quarters in the Minneapolis market is the sale of 20195 Diamond Lake Rd in Rogers. This 519,000-square-foot industrial building sold for \$34,200,000, or \$65.90 per square foot. The property sold on 9/13/2011.

Reports compiled by: Meghan Mullaney Research Manager and Will Weeks Research Associate.

U.S. VACANCY COMPARISON

Past 9 Quarters



Source: CoStar Property

MINNEAPOLIS INDUSTRIAL MARKET

MARKETS

CoSTAR MARKETS

In analyzing metropolitan areas in the U.S., CoStar has developed geographic designations to help group properties together, called Regions, Markets and Submarkets. Regions are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are then divided into Markets, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

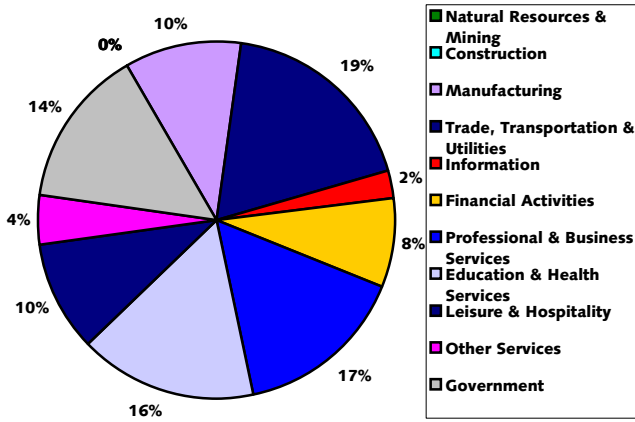
Markets
Chisago County Ind
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Northwest Ind
Pierce County Ind
Sherburne County Ind
South Central Ind
Southwest Ind
St Croix County Ind
St Paul Ind
Stearns County Ind
Wright County Ind

MINNEAPOLIS INDUSTRIAL MARKET

EMPLOYMENT AND TENANT

TOTAL EMPLOYMENT BY INDUSTRY

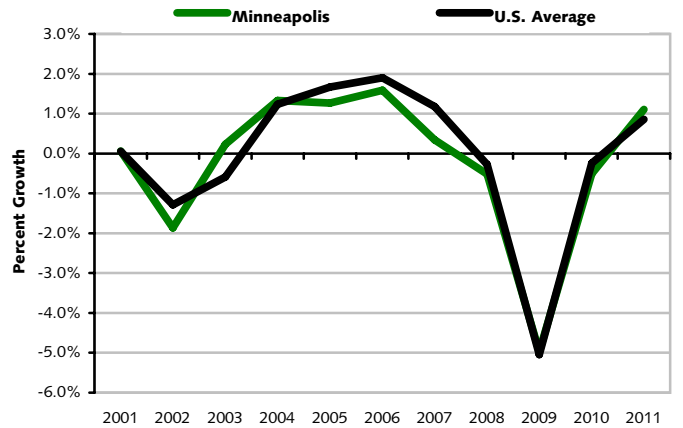
Percent of Total Employment by Industry



Source: Department of Labor, Bureau of Labor Statistics

TOTAL EMPLOYMENT GROWTH

Total Number of Jobs Added Per Year



Source: Department of Labor, Bureau of Labor Statistics

TOTAL EMPLOYMENT GROWTH

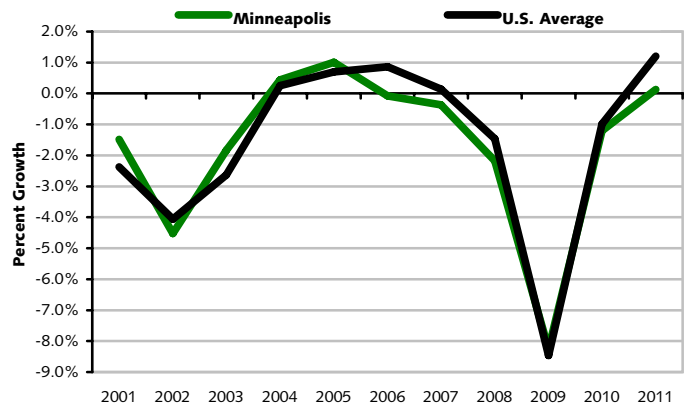
Cumulative Growth in Jobs Over the Past 5 Years

Market	Employment Growth	Inventory Growth	Difference
Atlanta	-7.30%	2.50%	-9.80%
Chicago	-6.00%	2.80%	-8.80%
Dallas/Ft Worth	1.20%	5.10%	-3.90%
Denver	-5.60%	2.50%	-8.10%
Detroit	-11.40%	0.50%	-11.90%
Houston	3.50%	5.30%	-1.80%
Inland Empire (California)	-10.30%	7.70%	-18.00%
Los Angeles	-8.00%	0.90%	-8.90%
Northern New Jersey	-5.40%	1.20%	-6.60%
Pittsburgh	-2.20%	1.40%	-3.60%
Minneapolis	-2.10%	1.00%	-3.10%

Source: Department of Labor, Bureau of Labor Statistics

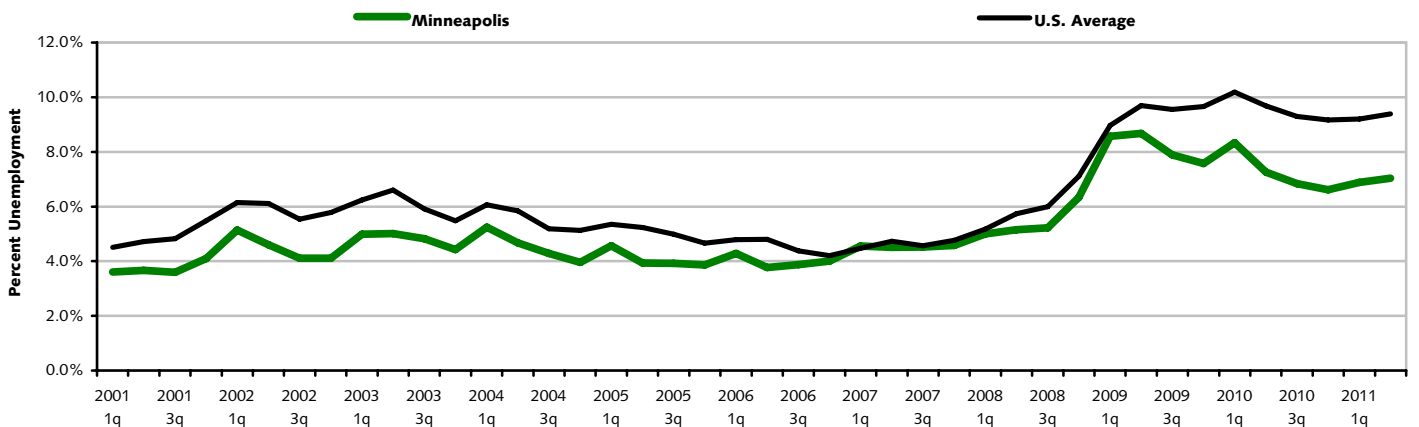
INDUSTRIAL* EMPLOYMENT GROWTH

Number of Industrial* Jobs Added Per Year



Source: Department of Labor, Bureau of Labor Statistics. * Industrial employment is defined as jobs in the Manufacturing, and Trade, Transportation & Utilities industries

HISTORICAL UNEMPLOYMENT RATES

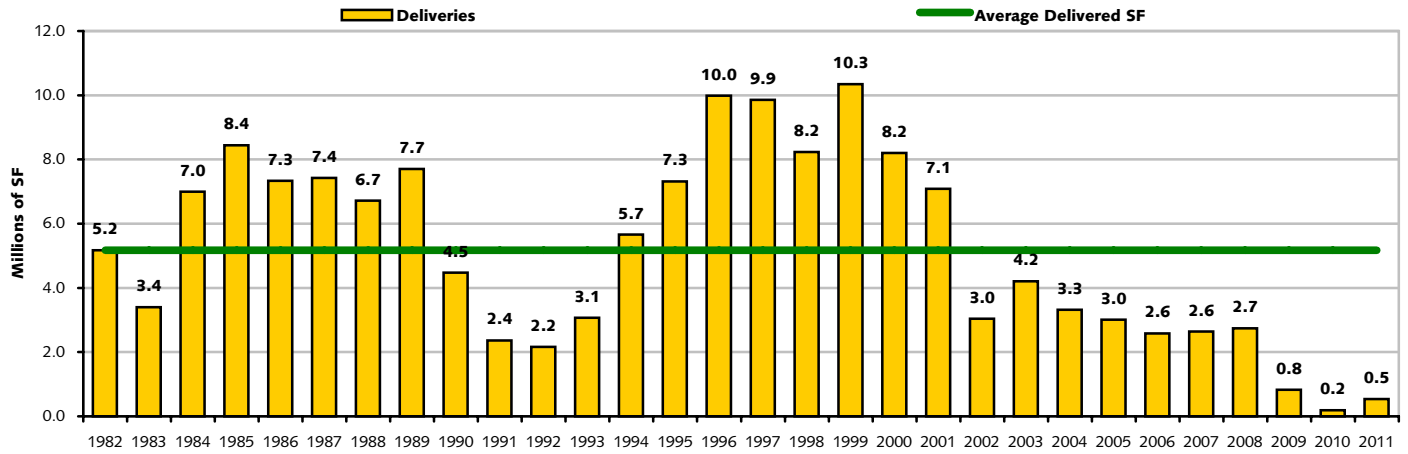


Source: Department of Labor, Bureau of Labor Statistics

MINNEAPOLIS INDUSTRIAL MARKET

INVENTORY & DEVELOPMENT

HISTORICAL DELIVERIES 1982 - 2011



Source: CoStar Property® * Future deliveries based on current under construction buildings.

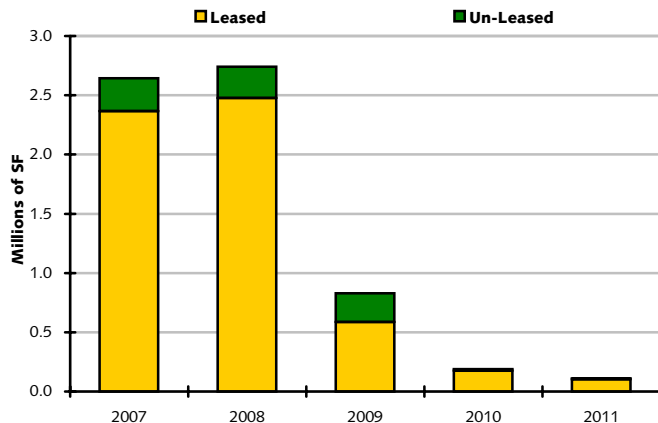
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Northwest Ind	1	300,000	300,000	100.0%	51,035	300,000
St Paul Ind	1	125,000	0	0.0%	34,111	125,000
North Central Ind	1	24,739	24,739	100.0%	36,240	24,739
St Croix County Ind	0	0	0	0.0%	24,704	0
South Central Ind	0	0	0	0.0%	43,778	0
Midway Ind	0	0	0	0.0%	55,298	0
Minneapolis Ind	0	0	0	0.0%	33,607	0
Chisago County Ind	0	0	0	0.0%	19,369	0
Isanti County Ind	0	0	0	0.0%	19,064	0
East Ind	0	0	0	0.0%	35,775	0
All Other	0	0	0	0.0%	35,423	0
Totals	3	449,739	324,739	72.2%	38,385	149,913

Source: CoStar Property®

RECENT DELIVERIES

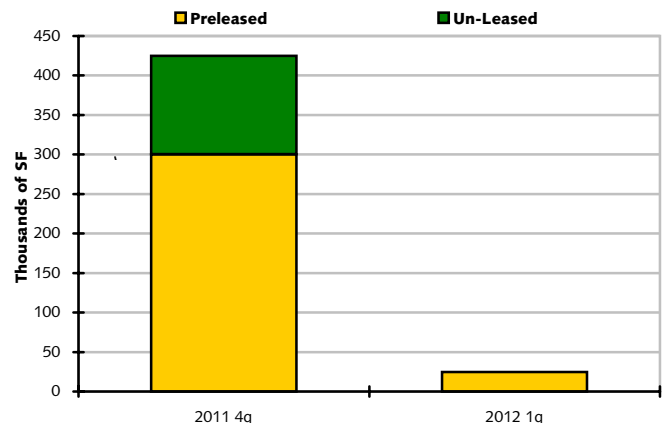
Leased & Un-Leased SF in Deliveries Since 2007



Source: CoStar Property®

FUTURE DELIVERIES

Preleased & Un-Leased SF in Properties Scheduled to Deliver



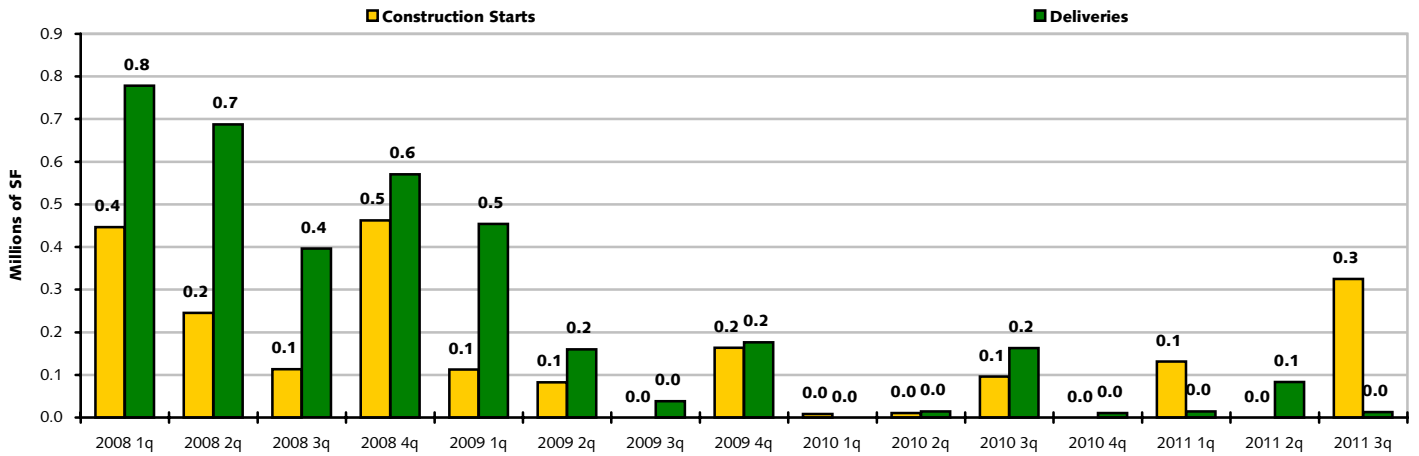
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

INVENTORY & DEVELOPMENT

HISTORICAL CONSTRUCTION STARTS & DELIVERIES

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	4	33,798	24,795	73.4%	\$9.50	20,756	13,042
50,000 SF - 99,999 SF	1	76,782	76,782	100.0%	\$0.00	76,782	0
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

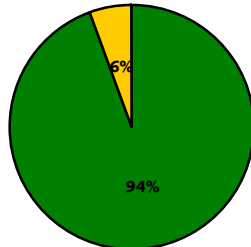
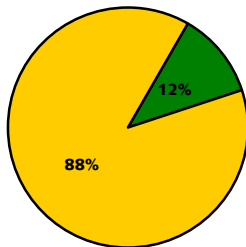
Source: CoStar Property®

RECENT DEVELOPMENT BY TENANCY

Based on RBA Developed for Single & Multi-Tenant Use

2011 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

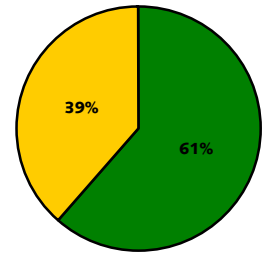
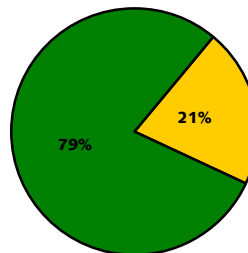
Source: CoStar Property®

EXISTING INVENTORY COMPARISON

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

INVENTORY & DEVELOPMENT

SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

<p>1. 4101 Arrowhead Dr</p> <hr/> Submarket: Southwest Industrial Market RBA: 76,782 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2010 Deliv Date: Second Quarter 2011 Leasing Co: Open Systems Int. Developer: N/A	<p>2. 3143 NE 104th Ln</p> <hr/> Submarket: North Central Industrial Market RBA: 14,509 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2010 Deliv Date: First Quarter 2011 Leasing Co: AeroFab, Inc. Developer: AeroFab, Inc.	<p>3. 576 Front Ave</p> <hr/> Submarket: St Paul Industrial Market RBA: 8,242 Occupied: 49% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2010 Deliv Date: Third Quarter 2011 Leasing Co: Redalen Ronald R Developer: N/A
<p>4. 9025 Zachary Ln N</p> <hr/> Submarket: Northwest Industrial Market RBA: 6,247 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Second Quarter 2011 Leasing Co: RSI Recycle Developer: N/A	<p>5. 310 7th St NE</p> <hr/> Submarket: Wright County Industrial Market RBA: 4,800 Occupied: 0% Quoted Rate: \$9.50 Grnd Brk Date: Third Quarter 2010 Deliv Date: Third Quarter 2011 Leasing Co: Pfeifer Construction Developer: N/A	

SELECT TOP UNDER CONSTRUCTION PROPERTIES

Based on Project Square Footage

<p>1. 13115 Brockton Ln N</p> <hr/> Submarket: Northwest Industrial Market RBA: 300,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2011 Deliv Date: Fourth Quarter 2011 Leasing Co: NorthMarq Developer: N/A	<p>2. River Bend Business Park III</p> <hr/> Submarket: St Paul Industrial Market RBA: 125,000 Preleased: 0% Quoted Rate: \$8.75 Grnd Brk Date: First Quarter 2011 Deliv Date: Fourth Quarter 2011 Leasing Co: Wellington Management, Inc. Developer: N/A	<p>3. 2380 Terminal Rd</p> <hr/> Submarket: North Central Industrial Market RBA: 24,739 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: N/A Developer: N/A
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MINNEAPOLIS INDUSTRIAL MARKET

FIGURES AT A GLANCE

FLEX MARKET STATISTICS

Third Quarter 2011

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Chisago County Ind	6	88,404	31,440	31,440	35.6%	(18,425)	0	0	\$8.19
East Ind	229	7,013,397	343,199	343,199	4.9%	33,589	0	0	\$9.05
Isanti County Ind	6	132,851	4,181	4,181	3.1%	0	0	0	\$10.00
Midway Ind	147	5,865,669	489,736	506,236	8.6%	(77,428)	0	0	\$7.55
Minneapolis Ind	44	1,777,301	335,135	345,135	19.4%	(736)	0	0	\$18.75
North Central Ind	282	10,612,379	1,125,989	1,125,989	10.6%	(128,854)	0	0	\$8.22
Northwest Ind	197	10,153,051	1,264,583	1,314,144	12.9%	(313,904)	0	0	\$7.54
Pierce County Ind	1	31,328	0	0	0.0%	5,400	0	0	\$0.00
Sherburne County Ind	16	347,848	62,325	62,325	17.9%	(19,428)	0	0	\$5.59
South Central Ind	373	12,947,592	1,133,588	1,133,588	8.8%	(72,817)	0	0	\$7.28
Southwest Ind	415	19,965,478	2,128,948	2,149,317	10.8%	150,986	0	0	\$7.15
St Croix County Ind	22	522,478	83,901	83,901	16.1%	9,584	0	0	\$6.46
St Paul Ind	156	4,291,122	772,358	772,358	18.0%	(49,865)	8,242	125,000	\$7.93
Stearns County Ind	19	465,664	12,899	12,899	2.8%	20,790	0	0	\$8.04
Wright County Ind	29	440,839	33,437	33,437	7.6%	1,000	4,800	0	\$10.29
Totals	1,942	74,655,401	7,821,719	7,918,149	10.6%	(460,108)	13,042	125,000	\$7.79

Source: CoStar Property®

WAREHOUSE MARKET STATISTICS

Third Quarter 2011

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Chisago County Ind	167	3,262,453	92,220	92,220	2.8%	21,770	0	0	\$3.71
East Ind	269	10,802,555	490,062	494,062	4.6%	(15,405)	0	0	\$5.82
Isanti County Ind	101	1,907,034	44,881	44,881	2.4%	27,900	0	0	\$5.20
Midway Ind	330	20,511,697	1,977,266	2,014,636	9.8%	5,495	0	0	\$5.11
Minneapolis Ind	702	23,293,819	1,354,926	1,407,991	6.0%	(52,342)	0	0	\$5.24
North Central Ind	1,334	47,951,640	2,118,058	2,268,277	4.7%	102,632	14,509	24,739	\$5.58
Northwest Ind	973	49,557,456	2,991,371	3,213,836	6.5%	(883,041)	6,247	300,000	\$5.57
Pierce County Ind	20	189,598	6,200	6,200	3.3%	15,580	0	0	\$3.81
Sherburne County Ind	289	6,564,749	462,097	462,097	7.0%	47,455	0	0	\$5.24
South Central Ind	698	33,938,817	2,418,417	2,453,417	7.2%	262,410	0	0	\$5.00
Southwest Ind	1,091	48,833,795	3,060,140	3,281,418	6.7%	(289,629)	76,782	0	\$5.43
St Croix County Ind	372	9,210,705	403,043	403,043	4.4%	(60,477)	0	0	\$4.32
St Paul Ind	250	9,557,939	454,072	472,291	4.9%	21,460	0	0	\$4.71
Stearns County Ind	356	9,105,698	403,017	403,017	4.4%	(47,467)	0	0	\$4.14
Wright County Ind	407	7,677,066	298,083	334,520	4.4%	15,454	0	0	\$5.40
Totals	7,359	282,365,021	16,573,853	17,351,906	6.1%	(828,205)	97,538	324,739	\$5.30

Source: CoStar Property®

TOTAL INDUSTRIAL MARKET STATISTICS

Third Quarter 2011

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Chisago County Ind	173	3,350,857	123,660	123,660	3.7%	3,345	0	0	\$4.14
East Ind	498	17,815,952	833,261	837,261	4.7%	18,184	0	0	\$6.77
Isanti County Ind	107	2,039,885	49,062	49,062	2.4%	27,900	0	0	\$5.23
Midway Ind	477	26,377,366	2,467,002	2,520,872	9.6%	(71,933)	0	0	\$5.37
Minneapolis Ind	746	25,071,120	1,690,061	1,753,126	7.0%	(53,078)	0	0	\$6.45
North Central Ind	1,616	58,564,019	3,244,047	3,394,266	5.8%	(26,222)	14,509	24,739	\$5.99
Northwest Ind	1,170	59,710,507	4,255,954	4,527,980	7.6%	(1,196,945)	6,247	300,000	\$5.93
Pierce County Ind	21	220,926	6,200	6,200	2.8%	20,980	0	0	\$3.81
Sherburne County Ind	305	6,912,597	524,422	524,422	7.6%	28,027	0	0	\$5.27
South Central Ind	1,071	46,886,409	3,552,005	3,587,005	7.7%	189,593	0	0	\$5.52
Southwest Ind	1,506	68,799,273	5,189,088	5,430,735	7.9%	(138,643)	76,782	0	\$6.02
St Croix County Ind	394	9,733,183	486,944	486,944	5.0%	(50,893)	0	0	\$4.41
St Paul Ind	406	13,849,061	1,226,430	1,244,649	9.0%	(28,405)	8,242	125,000	\$5.76
Stearns County Ind	375	9,571,362	415,916	415,916	4.3%	(26,677)	0	0	\$4.34
Wright County Ind	436	8,117,905	331,520	367,957	4.5%	16,454	4,800	0	\$5.75
Totals	9,301	357,020,422	24,395,572	25,270,055	7.1%	(1,288,313)	110,580	449,739	\$5.81

Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

FIGURES AT A GLANCE

FLEX MARKET STATISTICS

Third Quarter 2011

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2011 3q	1,942	74,655,401	7,821,719	7,918,149	10.6%	36,077	2	13,042	1	125,000	\$7.79
2011 2q	1,940	74,642,359	7,855,717	7,941,184	10.6%	(615,882)	0	0	3	138,042	\$7.85
2011 1q	1,940	74,642,359	7,229,173	7,325,302	9.8%	119,697	0	0	3	138,042	\$7.87
2010 4q	1,940	74,642,359	7,350,202	7,444,999	10.0%	254,584	0	0	2	13,042	\$7.90
2010 3q	1,940	74,642,359	7,618,986	7,699,583	10.3%	240,418	0	0	2	13,042	\$8.00
2010 2q	1,940	74,642,359	7,877,715	7,940,001	10.6%	382,109	0	0	1	8,242	\$8.13
2010 1q	1,940	74,642,359	8,225,289	8,322,110	11.1%	(64,930)	0	0	1	8,242	\$8.14
2009 4q	1,940	74,642,359	8,125,130	8,257,180	11.1%	239,753	2	112,739	0	0	\$8.23
2009 3q	1,938	74,529,620	8,121,221	8,384,194	11.2%	40,468	1	18,400	2	112,739	\$8.42
2009 2q	1,937	74,511,220	8,060,097	8,406,262	11.3%	(288,368)	0	0	3	131,139	\$8.46
2009 1q	1,937	74,511,220	7,750,565	8,117,894	10.9%	(88,209)	1	6,299	2	112,739	\$8.56
2008 4q	1,936	74,504,921	7,681,661	8,023,386	10.8%	406,835	2	82,412	1	6,299	\$8.53
2008 3q	1,934	74,422,509	8,182,893	8,347,809	11.2%	109,134	3	137,550	3	88,711	\$8.32
2008 2q	1,931	74,284,959	8,105,404	8,319,393	11.2%	(146,703)	1	116,000	5	219,962	\$8.18
2008 1q	1,930	74,168,959	7,840,006	8,056,690	10.9%	200,842	7	372,108	4	253,550	\$8.17
2007	1,923	73,796,851	7,667,445	7,885,424	10.7%	1,262,251	22	699,861	9	575,108	\$7.83

Source: CoStar Property®

WAREHOUSE MARKET STATISTICS

Third Quarter 2011

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2011 3q	7,359	282,365,021	16,573,853	17,351,906	6.1%	536,593	0	0	2	324,739	\$5.30
2011 2q	7,359	282,365,021	17,139,473	17,888,499	6.3%	(571,210)	2	83,029	0	0	\$5.29
2011 1q	7,357	282,281,992	16,600,782	17,234,260	6.1%	(793,588)	1	14,509	2	83,029	\$5.30
2010 4q	7,356	282,267,483	15,827,685	16,426,163	5.8%	573,392	1	10,715	2	91,291	\$5.29
2010 3q	7,355	282,256,768	16,403,797	16,988,840	6.0%	245,525	2	163,000	3	102,006	\$5.30
2010 2q	7,353	282,093,768	16,557,237	17,071,365	6.1%	578,943	1	14,000	3	173,715	\$5.35
2010 1q	7,354	282,346,662	17,283,603	17,903,202	6.3%	(321,610)	0	0	3	177,000	\$5.39
2009 4q	7,354	282,346,662	16,986,175	17,581,592	6.2%	(538,411)	1	64,000	3	177,000	\$5.68
2009 3q	7,353	282,282,662	16,395,394	16,979,181	6.0%	(195,243)	1	20,131	2	77,000	\$5.75
2009 2q	7,352	282,262,531	16,312,471	16,763,807	5.9%	(130,214)	4	160,038	3	97,131	\$5.75
2009 1q	7,349	282,107,586	16,025,142	16,478,648	5.8%	(301,281)	8	447,873	6	193,169	\$5.81
2008 4q	7,342	281,838,759	15,448,984	15,908,540	5.6%	113,557	6	487,840	14	641,042	\$5.84
2008 3q	7,337	281,379,472	15,111,976	15,562,810	5.5%	18,863	5	258,620	14	666,613	\$5.78
2008 2q	7,333	281,125,776	14,984,478	15,327,977	5.5%	381,048	8	571,690	13	817,905	\$5.68
2008 1q	7,326	280,594,673	14,784,679	15,177,922	5.4%	1,691,700	16	406,051	16	1,226,770	\$5.64
2007	7,310	280,188,622	16,028,147	16,463,571	5.9%	2,961,940	51	1,905,374	28	1,236,837	\$5.54

Source: CoStar Property®

TOTAL INDUSTRIAL MARKET STATISTICS

Third Quarter 2011

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2011 3q	9,301	357,020,422	24,395,572	25,270,055	7.1%	572,670	2	13,042	3	449,739	\$5.81
2011 2q	9,299	357,007,380	24,995,190	25,829,683	7.2%	(1,187,092)	2	83,029	3	138,042	\$5.80
2011 1q	9,297	356,924,351	23,829,955	24,559,562	6.9%	(673,891)	1	14,509	5	221,071	\$5.80
2010 4q	9,296	356,909,842	23,177,887	23,871,162	6.7%	827,976	1	10,715	4	104,333	\$5.80
2010 3q	9,295	356,899,127	24,022,783	24,688,423	6.9%	485,943	2	163,000	5	115,048	\$5.82
2010 2q	9,293	356,736,127	24,434,952	25,011,366	7.0%	961,052	1	14,000	4	181,957	\$5.89
2010 1q	9,294	356,989,021	25,508,892	26,225,312	7.3%	(386,540)	0	0	4	185,242	\$5.93
2009 4q	9,294	356,989,021	25,111,305	25,838,772	7.2%	(298,658)	3	176,739	3	177,000	\$6.17
2009 3q	9,291	356,812,282	24,516,615	25,363,375	7.1%	(154,775)	2	38,531	4	189,739	\$6.29
2009 2q	9,289	356,773,751	24,372,568	25,170,069	7.1%	(418,582)	4	160,038	6	228,270	\$6.34
2009 1q	9,286	356,618,806	23,775,707	24,596,542	6.9%	(389,490)	9	454,172	8	305,908	\$6.41
2008 4q	9,278	356,343,680	23,130,645	23,931,926	6.7%	520,392	8	570,252	15	647,341	\$6.45
2008 3q	9,271	355,801,981	23,294,869	23,910,619	6.7%	127,997	8	396,170	17	755,324	\$6.36
2008 2q	9,264	355,410,735	23,089,882	23,647,370	6.7%	234,345	9	687,690	18	1,037,867	\$6.24
2008 1q	9,256	354,763,632	22,624,685	23,234,612	6.5%	1,892,542	23	778,159	20	1,480,320	\$6.21
2007	9,233	353,985,473	23,695,592	24,348,995	6.9%	4,224,191	73	2,605,235	37	1,811,945	\$6.11

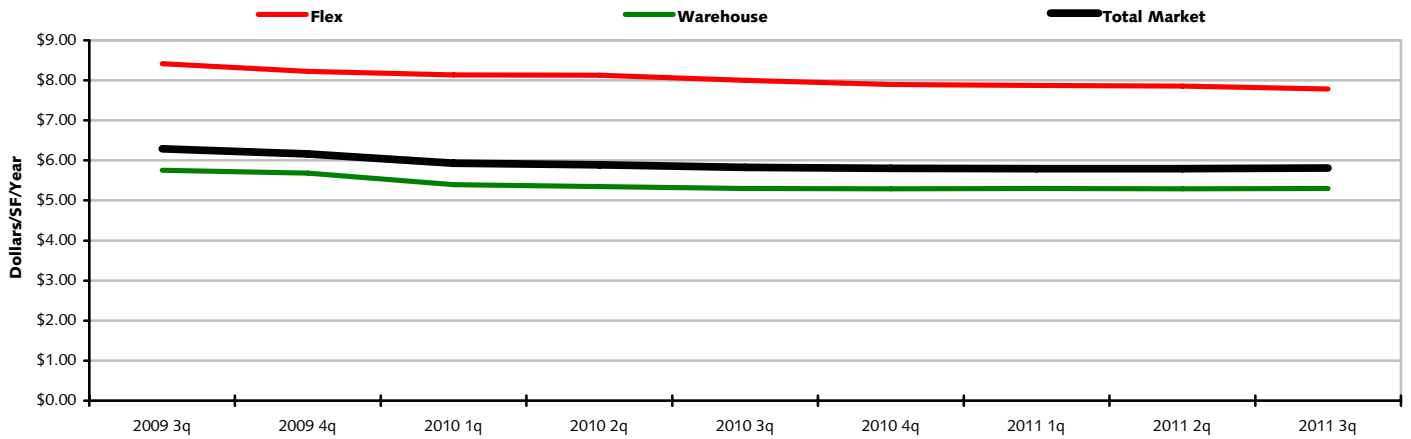
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

LEASING ACTIVITY

HISTORICAL RENTAL RATES

Based on Quoted Rental Rates



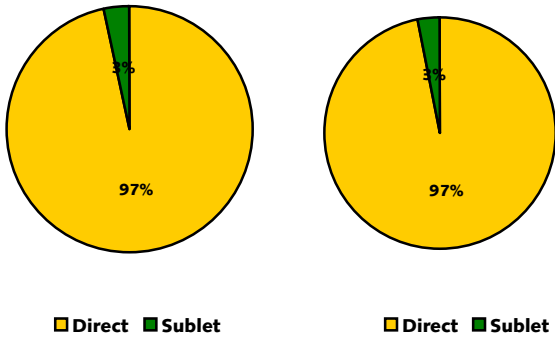
Source: CoStar Property®

VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Minneapolis

United States



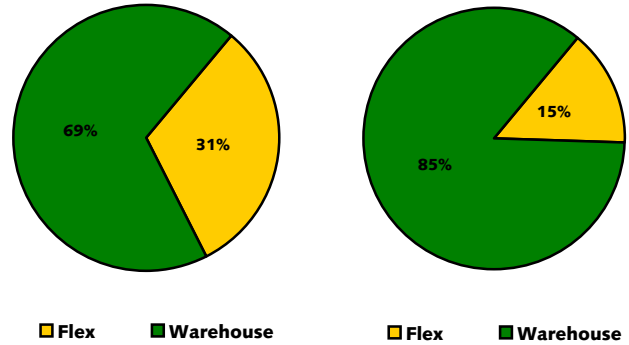
Source: CoStar Property®

VACANCY BY BUILDING TYPE

Percent of All Vacant Space by Building Type

Minneapolis

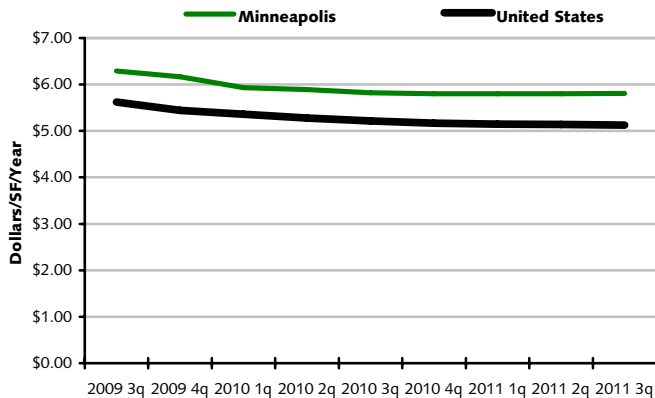
United States



Source: CoStar Property®

U.S. RENTAL RATE COMPARISON

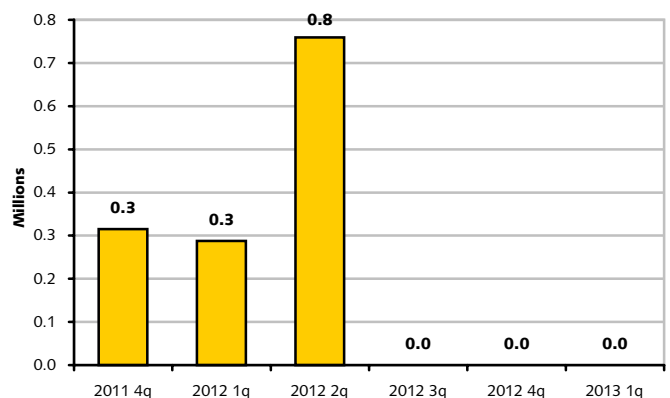
Based on Average Quoted Rental Rates



Source: CoStar Property®

FUTURE SPACE AVAILABLE

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space

MINNEAPOLIS INDUSTRIAL MARKET

LEASING ACTIVITY

SELECT TOP INDUSTRIAL LEASES Based on Leased Square Footage For Deals Signed in 2011

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 9150 217th St W	South Central Ind	162,772	1st	N/A	N/A	Colliers International
2 5600 Hwy 169 N	Northwest Ind	140,000	1st	Dedicated Logistics	Colliers International	Paramount Real Estate Corporation
3 LDI Distribution Center	Northwest Ind	129,508	2nd	Great Northern	UGL Services	Paramount Real Estate Corporation
4 5730 Main St NE	North Central Ind	129,120	3rd	Magno	N/A	CB Richard Ellis
5 Anoka Corporate Center	North Central Ind	125,540	1st	Stein Industries	Cassidy Turley	The C. Chase Company
6 7401 N Boone Ave	Northwest Ind	124,000	1st	Diversified Distribution Systems Inc.	Real Estate Advisors, Inc.	NorthMarq
7 2295 Walnut St	North Central Ind	123,000	3rd	FedEx Corporation	N/A	Jones Lang LaSalle
8 15100 Business Pky*	South Central Ind	101,744	2nd	Cannon Equipment	Binswanger Corporation	Cushman & Wakefield Inc.
9 2565 Kasota Ave	Midway Ind	94,680	1st	Murphy Warehouse Company	Colliers International	Binswanger Corporation
10 Apollo Industrial Center I	South Central Ind	88,020	1st	Columbia Pipe & Supply	Paramount Real Estate Corporation	NorthMarq
11 Northwest Pointe Business Centre*	Northwest Ind	82,492	2nd	The ADS Group Difference	Colliers International	NorthMarq
12 Midway Distribution Center	Midway Ind	67,467	2nd	N/A	N/A	NorthMarq
13 Shady Oak Business Center - Building G	Southwest Ind	67,071	1st	Control Techniques	CB Richard Ellis	Liberty Property Trust
14 Plymouth West Business Center	Northwest Ind	65,554	2nd	N/A	N/A	CB Richard Ellis
15 Xenium Distribution Center	Northwest Ind	64,415	1st	General Mills	NorthMarq	Colliers International
16 1800 94th St W*	Southwest Ind	59,336	1st	Foldcraft	Colliers International	Dosch Properties
17 Lake Drive Business Center	Southwest Ind	56,049	3rd	Bernard Group	N/A	Colliers International
18 350 Oak Grove Pky*	North Central Ind	52,254	3rd	Angeion Corporation	Gannett Peak Partners, Inc.	N/A
19 Huntington Building	Southwest Ind	51,200	2nd	N/A	N/A	Colliers International
20 Golden Hills*	Northwest Ind	50,762	1st	CyberOptics Corporation	Winthrop Commercial, Inc.	Cassidy Turley
21 Apollo Industrial Center I	South Central Ind	50,114	1st	N/A	N/A	NorthMarq
22 Valley Oaks Distribution Center	Southwest Ind	49,088	2nd	L Brands	N/A	Colliers International
23 Valley Oaks Distribution Center	Southwest Ind	49,088	1st	Orion Food Systems	Direct Deal	Colliers International
24 Elm Creek Commerce Center I	Northwest Ind	48,410	3rd	N/A	N/A	Colliers International
25 Maple Grove Distribution Center	Northwest Ind	45,260	2nd	N/A	N/A	NorthMarq
26 Elm Creek Commerce Center II	Northwest Ind	45,160	1st	N/A	N/A	Colliers International
27 6055 Nathan Ln	Northwest Ind	44,568	3rd	Thrifty White Pharmacy	N/A	CB Richard Ellis
28 Smyth Company Building	Midway Ind	42,110	2nd	N/A	Direct Deal	Wellington Management, Inc.
29 19188 Elk River Minnesota Industrial Park	Sherburne County Ind	38,750	1st	Trident Polymers	KW Commercial Northwest	KW Commercial Northwest
30 Osborne Commerce Center I	North Central Ind	38,690	1st	N/A	N/A	Steiner Development, Inc.
31 Northland Interstate Business Ctr - IV	Northwest Ind	37,198	1st	N/A	N/A	Cassidy Turley
32 1787 Gateway Blvd	North Central Ind	36,000	3rd	N/A	N/A	Colliers International
33 Diamond Hill Center	Southwest Ind	35,000	1st	N/A	Direct Deal	Team Properties Inc
34 2720 N Nevada Ave	Northwest Ind	30,600	1st	N/A	Direct Deal	Catalyst Commercial Properties
35 University II	Midway Ind	29,634	2nd	N/A	N/A	CSM Corporation
36 Interstate Crossings I*	South Central Ind	27,220	1st	N/A	N/A	CB Richard Ellis
37 3300 Winpark Dr	Northwest Ind	26,975	2nd	N/A	Direct Deal	Catalyst Commercial Properties
38 Valley Green Industrial Center	Southwest Ind	26,310	2nd	N/A	Direct Deal	5th Street Ventures LLC
39 3300 Winpark Dr	Northwest Ind	25,545	2nd	N/A	Direct Deal	Catalyst Commercial Properties
40 2601 28th Ave S*	Minneapolis Ind	25,530	1st	Bell Pharmaceuticals, Inc.	Direct Deal	Crown Builders, Inc.

Source: CoStar Property®

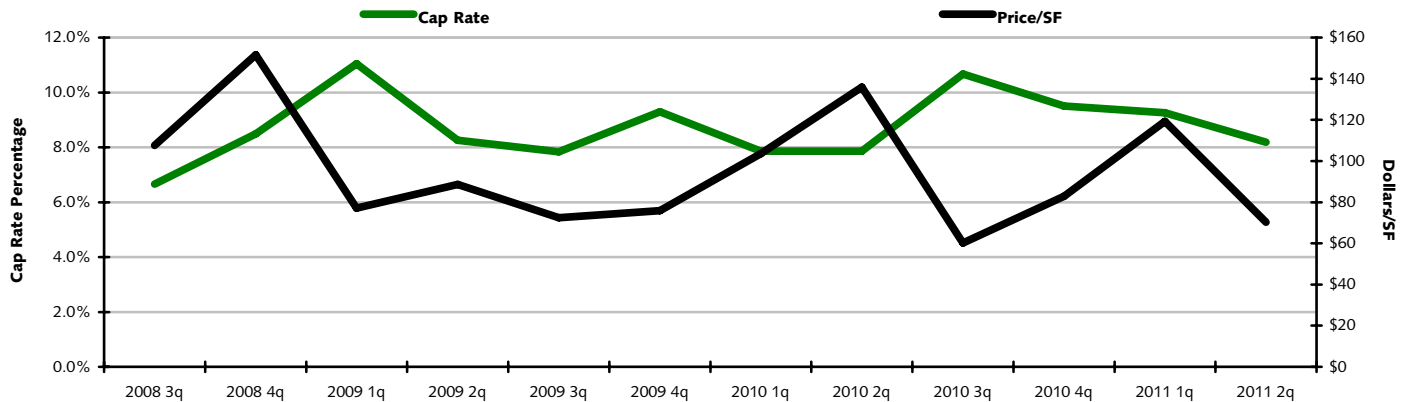
* Renewal

MINNEAPOLIS INDUSTRIAL MARKET

SALES ACTIVITY

THE OPTIMIST SALES INDEX

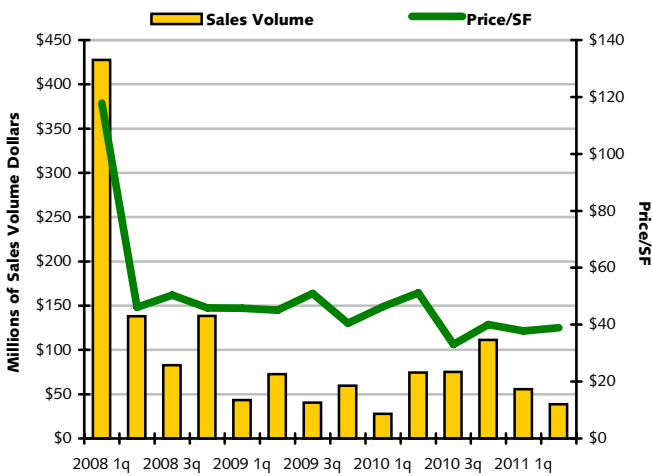
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

SALES VOLUME & PRICE

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

SALES ANALYSIS BY BUILDING SIZE

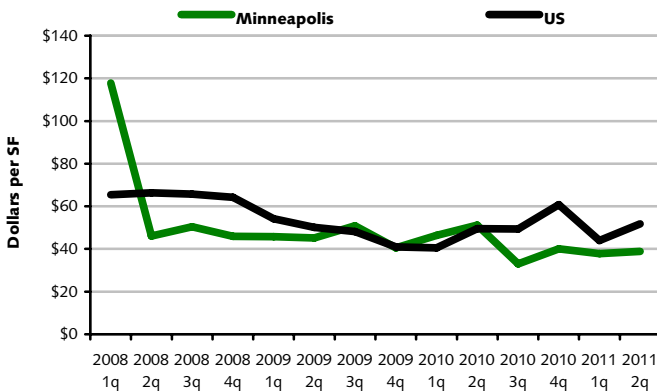
Based on Industrial Bldg Sales From July 2010 - June 2011

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	81	1,193,877	\$ 66,772,781	\$ 55.93	11.00%
25K-99K SF	67	3,284,157	\$ 133,605,051	\$ 40.68	9.26%
100K-249K SF	12	1,719,487	\$ 70,631,618	\$ 41.08	8.83%
>250K SF	4	1,772,267	\$ 44,198,555	\$ 24.94	-

Source: CoStar COMPS®

U.S. PRICE/SF COMPARISON

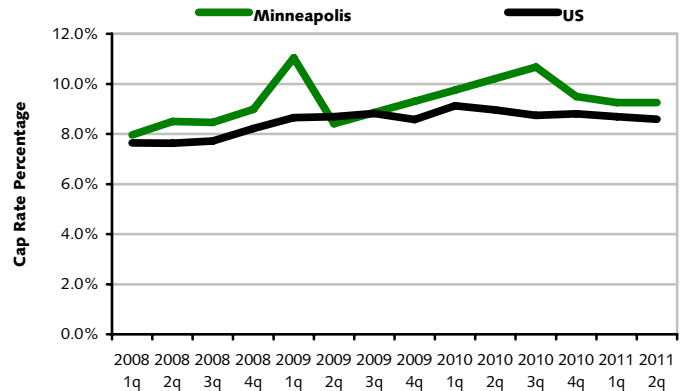
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. CAP RATE COMPARISON

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

MINNEAPOLIS INDUSTRIAL MARKET

SALES ACTIVITY

SELECT TOP SALES

Based on Sales from July 2010 Through September 2011

1. 20195 Diamond Lake Rd



Rogers

Price: **\$34,200,000**
 Price/SF: **\$65.90**
 Cap Rate: **N/A**
 RBA: **519,000**
 Date: **9/13/2011**
 Year Built: **2004**
 Buyer: **UBS Realty Investors LLC**
 Seller: **INVESCO**

2. 12571 Oliver Ave



Burnsville

Price: **\$17,980,000**
 Price/SF: **\$99.62**
 Cap Rate: **7.1%**
 RBA: **180,480**
 Date: **8/11/2011**
 Year Built: **2007**
 Buyer: **James Campbell Company LLC**
 Seller: **United Properties**

3. 1210 Mendota Heights Rd



Mendota Heights

Price: **\$14,150,000**
 Price/SF: **\$170.78**
 Cap Rate: **9.01%**
 RBA: **82,854**
 Date: **1/25/2011**
 Year Built: **1989**
 Buyer: **Senior Housing Properties Trust**
 Seller: **Eagle Ridge Partners LLC**

4. 3940 N Quebec Ave



Minneapolis

Price: **\$12,000,000**
 Price/SF: **\$66.67**
 Cap Rate: **N/A**
 RBA: **180,000**
 Date: **7/26/2011**
 Year Built: **1993**
 Buyer: **Perrigo Company**
 Seller: **Paddock Prop Ltd Ptrshp**

5. Shoreview



Shoreview

Price: **\$11,370,000**
 Price/SF: **\$60.08**
 Cap Rate: **N/A**
 RBA: **189,250**
 Date: **3/24/2011**
 Year Built: **1983**
 Buyer: **Cummins, Inc.**
 Seller: **Medtronic, Inc.**

6. AMB Rogers Distribution Center



Rogers

Price: **\$6,900,000**
 Price/SF: **\$46.89**
 Cap Rate: **N/A**
 RBA: **147,160**
 Date: **9/15/2011**
 Year Built: **2009**
 Buyer: **Liberty Property Trust**
 Seller: **Artis Real Estate Investment Trust**

7. Plymouth Corporate Campus



Plymouth

Price: **\$5,800,000**
 Price/SF: **\$68.77**
 Cap Rate: **N/A**
 RBA: **84,344**
 Date: **6/30/2011**
 Year Built: **1979**
 Buyer: **Artis Real Estate Investment Trust**
 Seller: **Capital Partners, LLP**

8. 10000 Valley View Rd



Eden Prairie

Price: **\$5,000,000**
 Price/SF: **\$43.13**
 Cap Rate: **N/A**
 RBA: **115,930**
 Date: **9/2/2010**
 Year Built: **1981**
 Buyer: **Apex International Manufacturing**
 Seller: **Cephalon, Inc.**

9. 9200 10th Ave N



Golden Valley

Price: **\$4,400,000**
 Price/SF: **\$33.33**
 Cap Rate: **N/A**
 RBA: **132,003**
 Date: **8/23/2010**
 Year Built: **1968**
 Buyer: **Bellcomb Technologies, Inc.**
 Seller: **First Industrial Realty Trust, Inc.**

MINNEAPOLIS INDUSTRIAL MARKET

SALES ACTIVITY

SELECT SAME BUILDING SALES

Based On Recent Building Sales Compared to Prior Sale

**11025 NE Radisson Rd**

Address: 11025 NE Radisson Rd
 City: Blaine
 RBA: 48,450
 Year Built: 1984
 Tot \$ Return: -\$200,000
 Tot % Return: -9%
 Ann.Return: -2%
 Months Held: 42

Most Recent Sale

Price: \$2,150,000
 Price/SF: \$44.38
 Cap Rate: N/A
 Date: 12/28/2010
 Buyer: Reiland Investments LLC
 Seller: Premier Radisson LLC
 Brokers: Premier Commercial Propertie

Sale Prior to Most Recent Sale

Price: \$2,350,000
 Price/SF: \$48.50
 Cap Rate: N/A
 Date: 6/29/2007
 Buyer: Premier Radisson LLC
 Seller: Manley L & Linda F Mills
 Brokers: Premier Commercial Propertie

**Viking Press Inc**

Address: 7000 S Washington Ave
 City: Eden Prairie
 RBA: 119,000
 Year Built: 1978
 Tot \$ Return: \$300,000
 Tot % Return: 18%
 Ann.Return: 14%
 Months Held: 15

Most Recent Sale

Price: \$2,000,000
 Price/SF: \$16.81
 Cap Rate: N/A
 Date: 8/12/2011
 Buyer: Pro-T LLC
 Seller: Continental Property Group I
 Brokers: N/A

Sale Prior to Most Recent Sale

Price: \$1,700,000
 Price/SF: \$14.29
 Cap Rate: N/A
 Date: 5/21/2010
 Buyer: Continental Property Group I
 Seller: R.R. Donnelley Printing Comp
 Benchmark Commercial Real Es
 CB Richard Ellis

**15505-15535 Medina Rd**

Address: 15505-15535 Medina Rd
 City: Plymouth
 RBA: 60,904
 Year Built: 1986
 Tot \$ Return: -\$634,842
 Tot % Return: -34%
 Ann.Return: -11%
 Months Held: 39

Most Recent Sale

Price: \$1,215,158
 Price/SF: \$19.95
 Cap Rate: N/A
 Date: 10/29/2010
 Buyer: Sabre Plumbing Heating & Air
 Seller: Geneva Industrial Exchange X
 Brokers: N/A

Sale Prior to Most Recent Sale

Price: \$1,850,000
 Price/SF: \$30.38
 Cap Rate: N/A
 Date: 8/13/2007
 Buyer: Geneva Industrial Exchange X
 Seller: Werneke Realty LP
 Brokers: JBL Companies

**12775 County Road 43**

Address: 12775 County Road 43
 City: Chaska
 RBA: 14,952
 Year Built: 1989
 Tot \$ Return: \$152,500
 Tot % Return: 23%
 Ann.Return: 7%
 Months Held: 38

Most Recent Sale

Price: \$815,000
 Price/SF: \$54.51
 Cap Rate: N/A
 Date: 2/28/2011
 Buyer: Edward & Karla Hagen
 Seller: ARN Properties, LLC
 Brokers: Copperwood Investments LLC

Sale Prior to Most Recent Sale

Price: \$662,500
 Price/SF: \$44.31
 Cap Rate: N/A
 Date: 12/31/2007
 Buyer: ARN Properties, LLC
 Seller: Vickerman Incorporated
 Brokers: Chestnut Realty, Inc.

SELECT LAND SALES Based on Industrial Zoned Land Sales Occurring From July 2010 - Sept. 2011

16387 Chippendale Ave W, Rosemount

Sale Price: \$3,961,600
 Acres: 247.47
 Price/SF: \$0.37
 Closing Date: 07/22/2010
 Zoning: Agricultural
 Intended Use: Hold for Development
 Buyer: Barton Sand & Gravel Co.
 Seller: Empire Aggregate Co Inc

13115 Brockton Ln N, Rogers

Sale Price: \$2,038,235
 Acres: 55.25
 Price/SF: \$0.85
 Closing Date: 02/18/2011
 Zoning: Ag-proposed L-1
 Intended Use: Industrial Park
 Buyer: Liberty Property Trust
 Seller: Moen Leuer Properties, Inc.

X Street Hwy 169, Hopkins

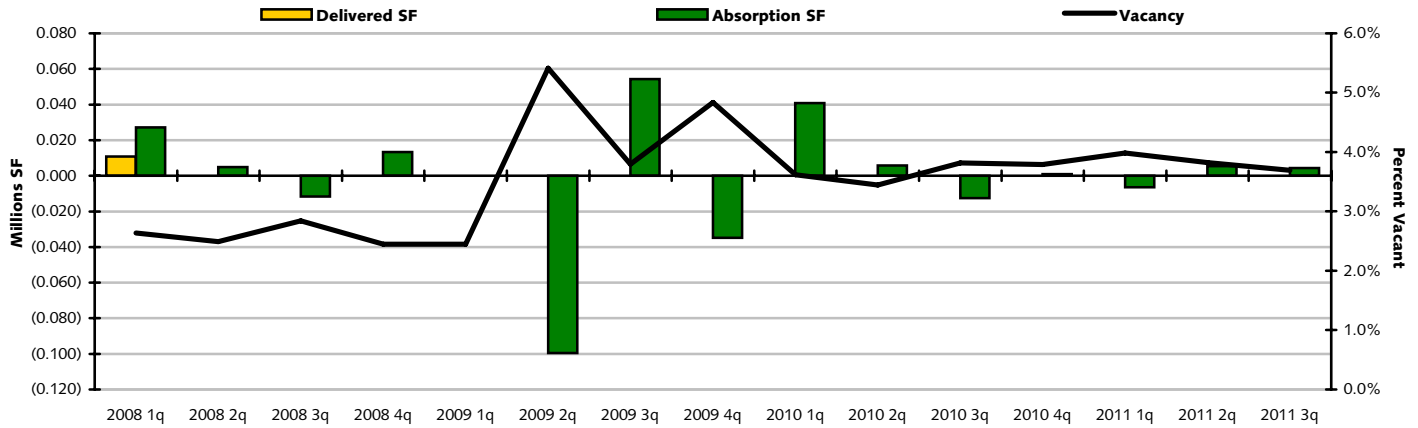
Sale Price: \$1,747,058
 Acres: 8.91
 Price/SF: \$4.50
 Closing Date: 07/14/2011
 Zoning: Industrial
 Intended Use: Restaurant
 Buyer: Luther Automotive Group
 Seller: Dwr Companies Inc

MINNEAPOLIS INDUSTRIAL MARKET

CHICAGO COUNTY MARKET

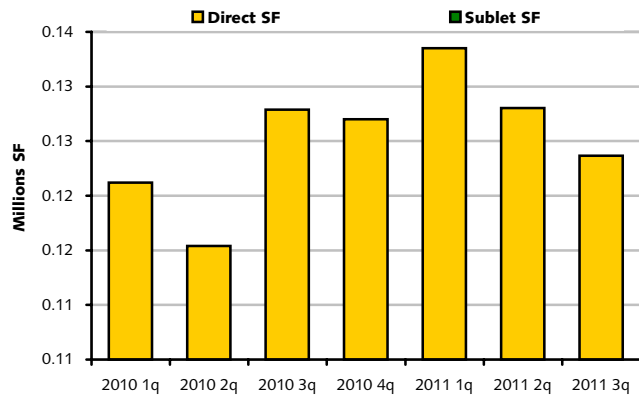
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



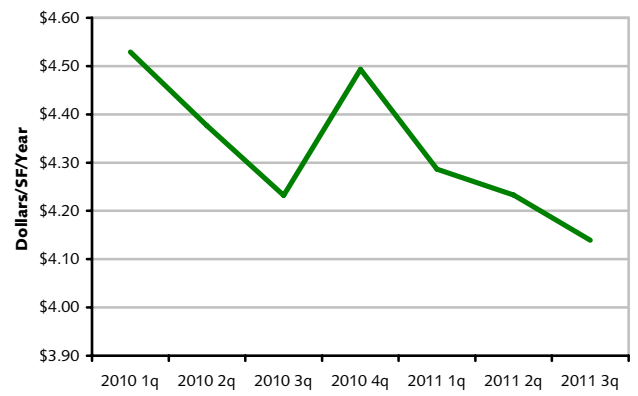
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	173	3,350,857	123,660	3.7%	4,359	0	0	0	0	\$4.14
2011 2q	173	3,350,857	128,019	3.8%	5,500	0	0	0	0	\$4.23
2011 1q	173	3,350,857	133,519	4.0%	(6,514)	0	0	0	0	\$4.29
2010 4q	173	3,350,857	127,005	3.8%	889	0	0	0	0	\$4.49
2010 3q	173	3,350,857	127,894	3.8%	(12,500)	0	0	0	0	\$4.23
2010 2q	173	3,350,857	115,394	3.4%	5,800	0	0	0	0	\$4.38
2010 1q	173	3,350,857	121,194	3.6%	40,792	0	0	0	0	\$4.53
2009 4q	173	3,350,857	161,986	4.8%	(34,859)	0	0	0	0	\$4.57
2009 3q	173	3,350,857	127,127	3.8%	54,280	0	0	0	0	\$4.25
2009 2q	173	3,350,857	181,407	5.4%	(99,475)	0	0	0	0	\$4.18
2009 1q	173	3,350,857	81,932	2.4%	0	0	0	0	0	\$4.55
2008 4q	173	3,350,857	81,932	2.4%	13,251	0	0	0	0	\$4.28
2008 3q	173	3,350,857	95,183	2.8%	(11,640)	0	0	0	0	\$4.22
2008 2q	173	3,350,857	83,543	2.5%	4,840	0	0	0	0	\$4.36
2008 1q	173	3,350,857	88,383	2.6%	27,210	2	10,888	0	0	\$4.32
2007 4q	171	3,339,969	104,705	3.1%	215,187	0	0	2	10,888	\$4.00

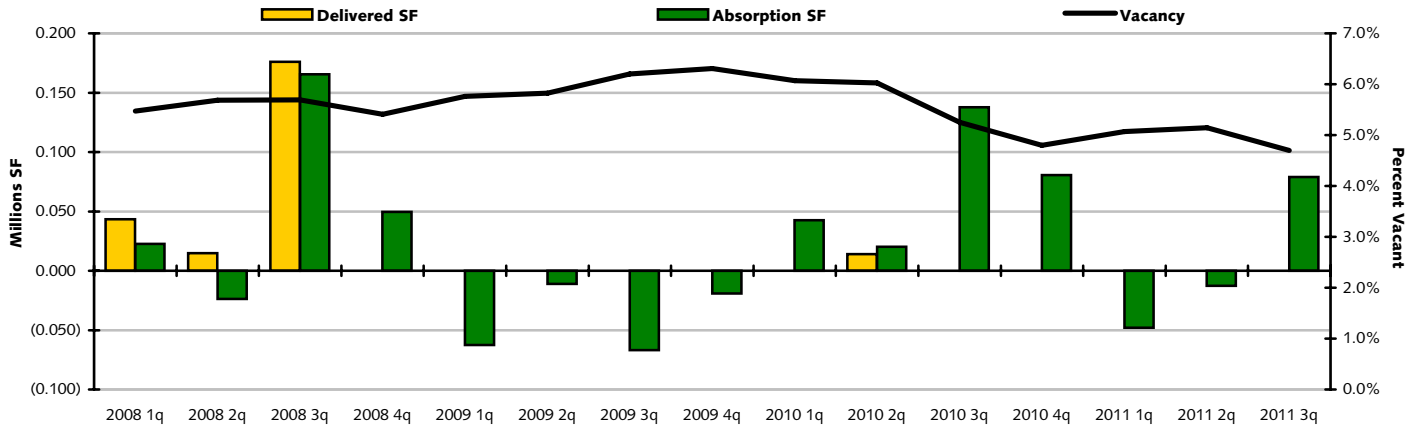
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

EAST MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

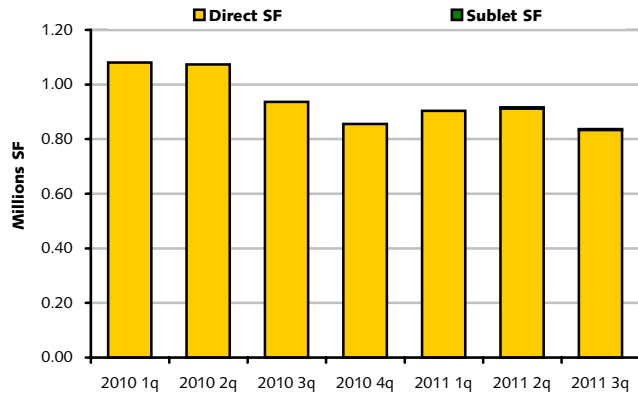
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

VACANT SPACE

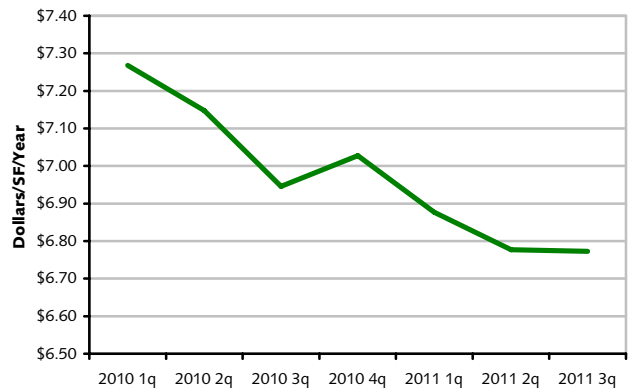
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	498	17,815,952	837,261	4.7%	78,878	0	0	0	0	\$6.77
2011 2q	498	17,815,952	916,139	5.1%	(12,632)	0	0	0	0	\$6.78
2011 1q	498	17,815,952	903,507	5.1%	(48,062)	0	0	0	0	\$6.88
2010 4q	498	17,815,952	855,445	4.8%	80,634	0	0	0	0	\$7.03
2010 3q	498	17,815,952	936,079	5.3%	137,612	0	0	0	0	\$6.95
2010 2q	498	17,815,952	1,073,691	6.0%	20,246	1	14,000	0	0	\$7.15
2010 1q	497	17,801,952	1,079,937	6.1%	42,702	0	0	1	14,000	\$7.27
2009 4q	497	17,801,952	1,122,639	6.3%	(19,127)	0	0	1	14,000	\$7.15
2009 3q	497	17,801,952	1,103,512	6.2%	(66,933)	0	0	0	0	\$7.22
2009 2q	497	17,801,952	1,036,579	5.8%	(10,932)	0	0	0	0	\$7.92
2009 1q	497	17,801,952	1,025,647	5.8%	(62,439)	0	0	0	0	\$7.80
2008 4q	497	17,801,952	963,208	5.4%	49,702	0	0	0	0	\$8.15
2008 3q	497	17,801,952	1,012,910	5.7%	165,428	2	176,000	0	0	\$8.14
2008 2q	495	17,625,952	1,002,338	5.7%	(23,710)	1	14,800	2	176,000	\$8.21
2008 1q	494	17,611,152	963,828	5.5%	22,769	1	43,396	3	190,800	\$8.51
2007 4q	493	17,567,756	943,201	5.4%	66,050	0	0	4	234,196	\$7.88

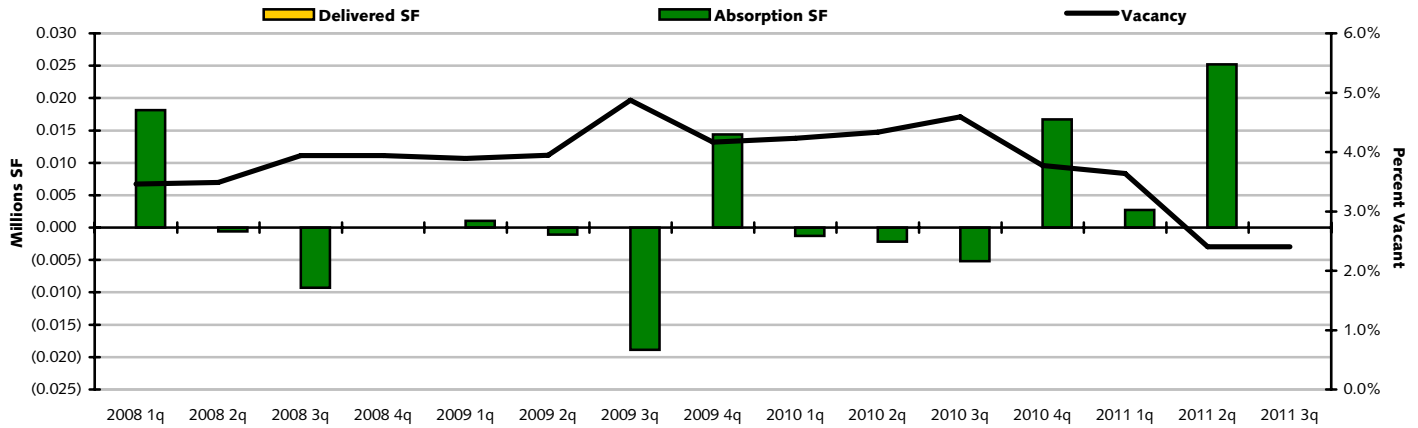
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

ISANTI COUNTY MARKET

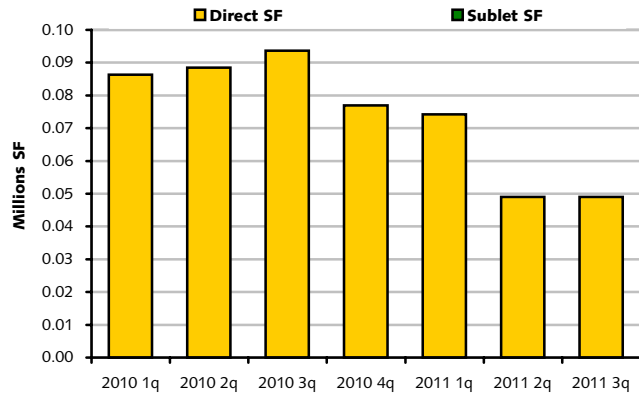
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



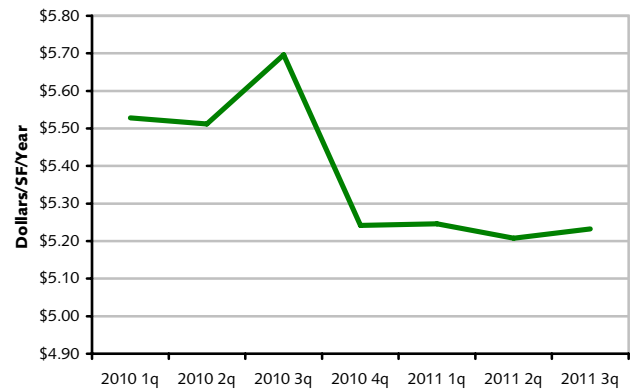
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

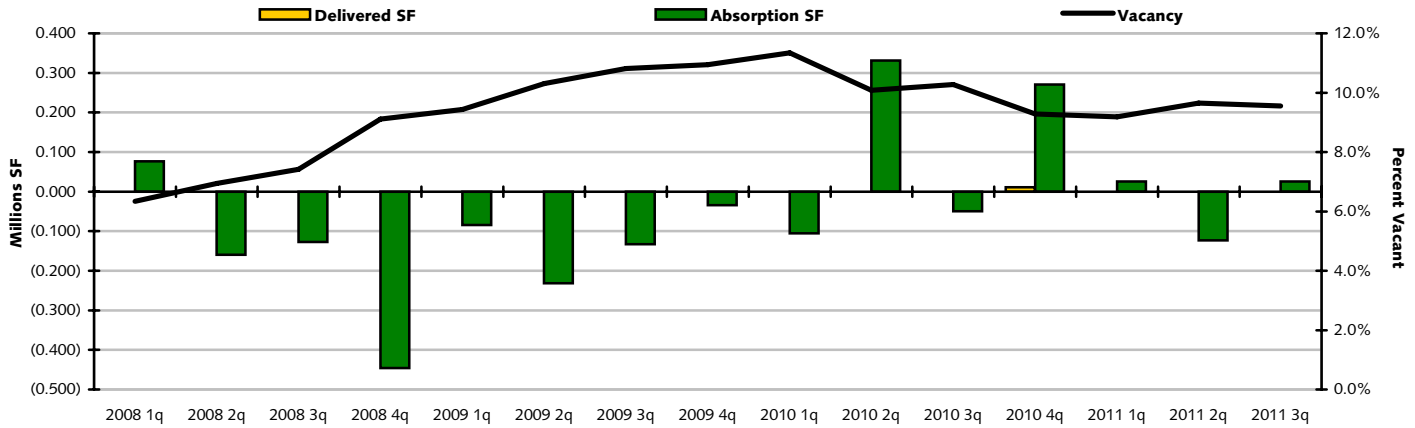
Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	107	2,039,885	49,062	2.4%	0	0	0	0	0	\$5.23
2011 2q	107	2,039,885	49,062	2.4%	25,200	0	0	0	0	\$5.21
2011 1q	107	2,039,885	74,262	3.6%	2,700	0	0	0	0	\$5.25
2010 4q	107	2,039,885	76,962	3.8%	16,700	0	0	0	0	\$5.24
2010 3q	107	2,039,885	93,662	4.6%	(5,200)	0	0	0	0	\$5.70
2010 2q	107	2,039,885	88,462	4.3%	(2,150)	0	0	0	0	\$5.51
2010 1q	107	2,039,885	86,312	4.2%	(1,300)	0	0	0	0	\$5.53
2009 4q	107	2,039,885	85,012	4.2%	14,362	0	0	0	0	\$5.50
2009 3q	107	2,039,885	99,374	4.9%	(18,884)	0	0	0	0	\$5.53
2009 2q	107	2,039,885	80,490	3.9%	(1,100)	0	0	0	0	\$5.51
2009 1q	107	2,039,885	79,390	3.9%	1,040	0	0	0	0	\$5.50
2008 4q	107	2,039,885	80,430	3.9%	0	0	0	0	0	\$5.46
2008 3q	107	2,039,885	80,430	3.9%	(9,264)	0	0	0	0	\$4.99
2008 2q	107	2,039,885	71,166	3.5%	(582)	0	0	0	0	\$4.96
2008 1q	107	2,039,885	70,584	3.5%	18,145	0	0	0	0	\$4.96
2007 4q	107	2,039,885	88,729	4.3%	(4,052)	0	0	0	0	\$6.58

Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

MIDWAY MARKET MARKET HIGHLIGHTS - FLEX & WAREHOUSE

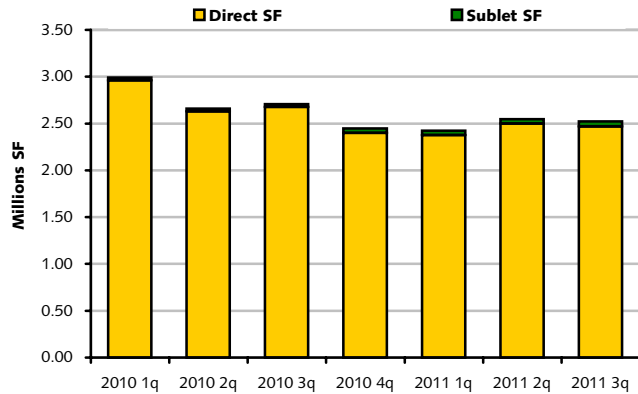
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

VACANT SPACE

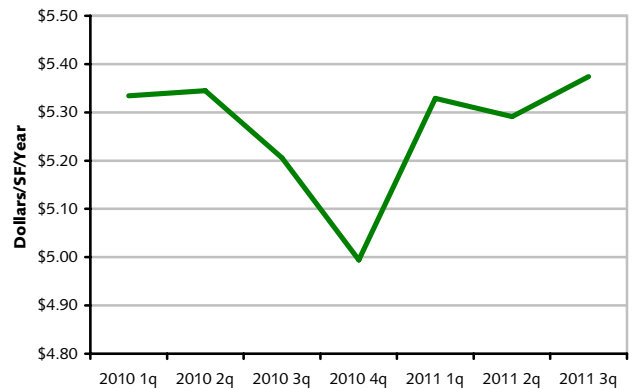
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	477	26,377,366	2,520,872	9.6%	25,858	0	0	0	0	\$5.37
2011 2q	477	26,377,366	2,546,730	9.7%	(123,339)	0	0	0	0	\$5.29
2011 1q	477	26,377,366	2,423,391	9.2%	25,548	0	0	0	0	\$5.33
2010 4q	477	26,377,366	2,448,939	9.3%	270,401	1	10,715	0	0	\$4.99
2010 3q	476	26,366,651	2,708,625	10.3%	(49,632)	0	0	1	10,715	\$5.21
2010 2q	476	26,366,651	2,658,993	10.1%	331,426	0	0	1	10,715	\$5.34
2010 1q	476	26,366,651	2,990,419	11.3%	(105,340)	0	0	0	0	\$5.33
2009 4q	476	26,366,651	2,885,079	10.9%	(33,858)	0	0	0	0	\$5.55
2009 3q	476	26,366,651	2,851,221	10.8%	(132,763)	0	0	0	0	\$5.76
2009 2q	476	26,366,651	2,718,458	10.3%	(231,813)	0	0	0	0	\$5.83
2009 1q	476	26,366,651	2,486,645	9.4%	(84,028)	0	0	0	0	\$6.14
2008 4q	476	26,366,651	2,402,617	9.1%	(445,531)	0	0	0	0	\$6.19
2008 3q	476	26,366,651	1,957,086	7.4%	(127,165)	0	0	0	0	\$6.07
2008 2q	476	26,366,651	1,829,921	6.9%	(159,176)	0	0	0	0	\$6.06
2008 1q	476	26,366,651	1,670,745	6.3%	76,469	0	0	0	0	\$6.02
2007 4q	476	26,366,651	1,747,214	6.6%	(73,459)	0	0	0	0	\$5.94

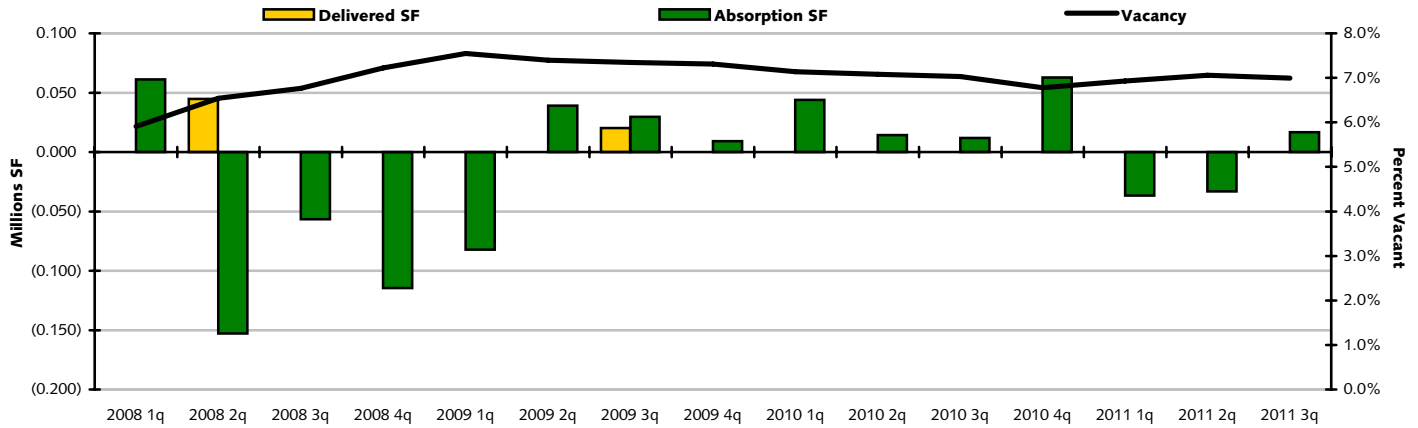
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

MINNEAPOLIS MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

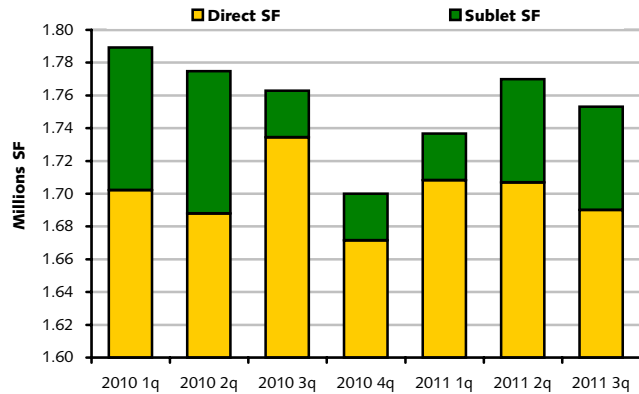
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

VACANT SPACE

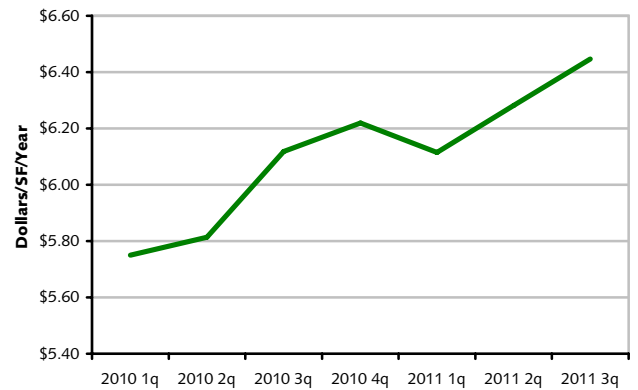
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	746	25,071,120	1,753,126	7.0%	16,735	0	0	0	0	\$6.45
2011 2q	746	25,071,120	1,769,861	7.1%	(33,154)	0	0	0	0	\$6.28
2011 1q	746	25,071,120	1,736,707	6.9%	(36,659)	0	0	0	0	\$6.12
2010 4q	746	25,071,120	1,700,048	6.8%	62,892	0	0	0	0	\$6.22
2010 3q	746	25,071,120	1,762,940	7.0%	11,947	0	0	0	0	\$6.12
2010 2q	746	25,071,120	1,774,887	7.1%	14,340	0	0	0	0	\$5.81
2010 1q	746	25,071,120	1,789,227	7.1%	43,999	0	0	0	0	\$5.75
2009 4q	746	25,071,120	1,833,226	7.3%	9,260	0	0	0	0	\$6.24
2009 3q	746	25,071,120	1,842,486	7.3%	29,773	1	20,131	0	0	\$6.21
2009 2q	745	25,050,989	1,852,128	7.4%	39,037	0	0	1	20,131	\$6.36
2009 1q	745	25,050,989	1,891,165	7.5%	(82,235)	0	0	1	20,131	\$6.37
2008 4q	745	25,050,989	1,808,930	7.2%	(114,620)	0	0	1	20,131	\$6.20
2008 3q	745	25,050,989	1,694,310	6.8%	(56,607)	0	0	0	0	\$6.06
2008 2q	745	25,050,989	1,637,703	6.5%	(152,702)	1	44,857	0	0	\$6.11
2008 1q	745	25,046,719	1,480,731	5.9%	61,054	0	0	1	44,857	\$6.31
2007 4q	745	25,046,719	1,541,785	6.2%	169,549	0	0	1	44,857	\$6.06

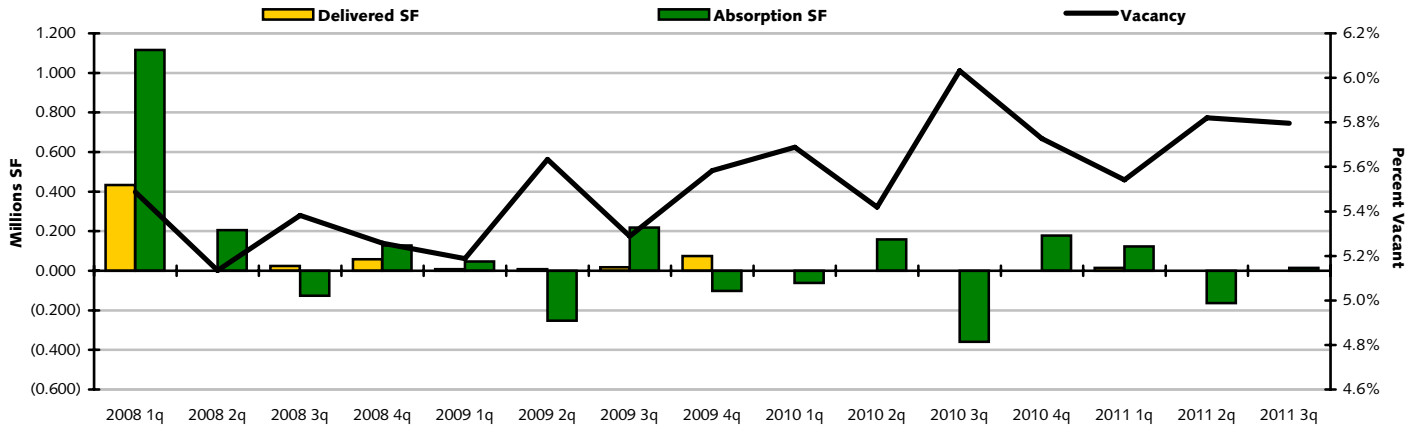
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

NORTH CENTRAL MARKET

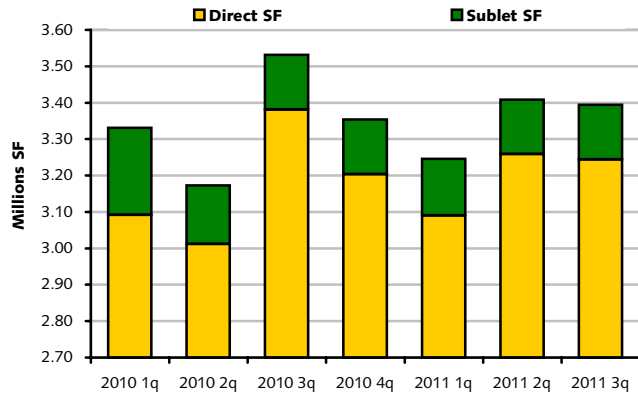
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



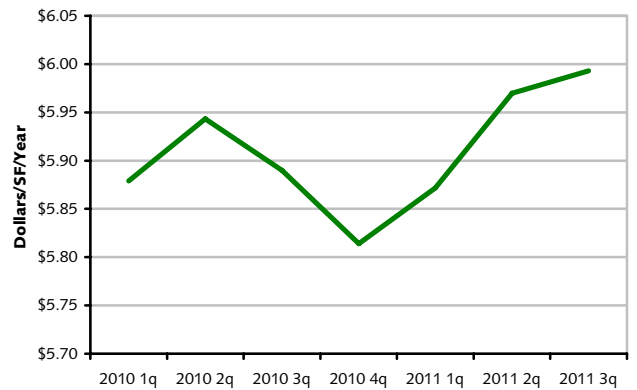
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	1,616	58,564,019	3,394,266	5.8%	14,553	0	0	1	24,739	\$5.99
2011 2q	1,616	58,564,019	3,408,819	5.8%	(163,356)	0	0	0	0	\$5.97
2011 1q	1,616	58,564,019	3,245,463	5.5%	122,581	1	14,509	0	0	\$5.87
2010 4q	1,615	58,549,510	3,353,535	5.7%	177,763	0	0	1	14,509	\$5.81
2010 3q	1,615	58,549,510	3,531,298	6.0%	(358,332)	0	0	1	14,509	\$5.89
2010 2q	1,615	58,549,510	3,172,966	5.4%	157,883	0	0	0	0	\$5.94
2010 1q	1,615	58,549,510	3,330,849	5.7%	(62,119)	0	0	0	0	\$5.88
2009 4q	1,615	58,549,510	3,268,730	5.6%	(102,139)	1	74,289	0	0	\$6.15
2009 3q	1,614	58,475,221	3,092,302	5.3%	219,057	1	18,400	1	74,289	\$6.20
2009 2q	1,613	58,456,821	3,292,959	5.6%	(252,023)	1	8,430	2	92,689	\$6.32
2009 1q	1,612	58,448,391	3,032,506	5.2%	47,248	1	7,769	2	82,719	\$6.46
2008 4q	1,611	58,440,622	3,071,985	5.3%	128,408	1	57,980	2	16,199	\$6.52
2008 3q	1,610	58,382,642	3,142,413	5.4%	(126,930)	2	23,550	2	65,749	\$6.27
2008 2q	1,609	58,364,016	2,996,857	5.1%	205,801	0	0	3	81,530	\$5.93
2008 1q	1,609	58,364,016	3,202,658	5.5%	1,116,688	8	434,194	2	23,550	\$5.74
2007 4q	1,601	57,929,822	3,885,152	6.7%	211,006	0	0	8	434,194	\$5.71

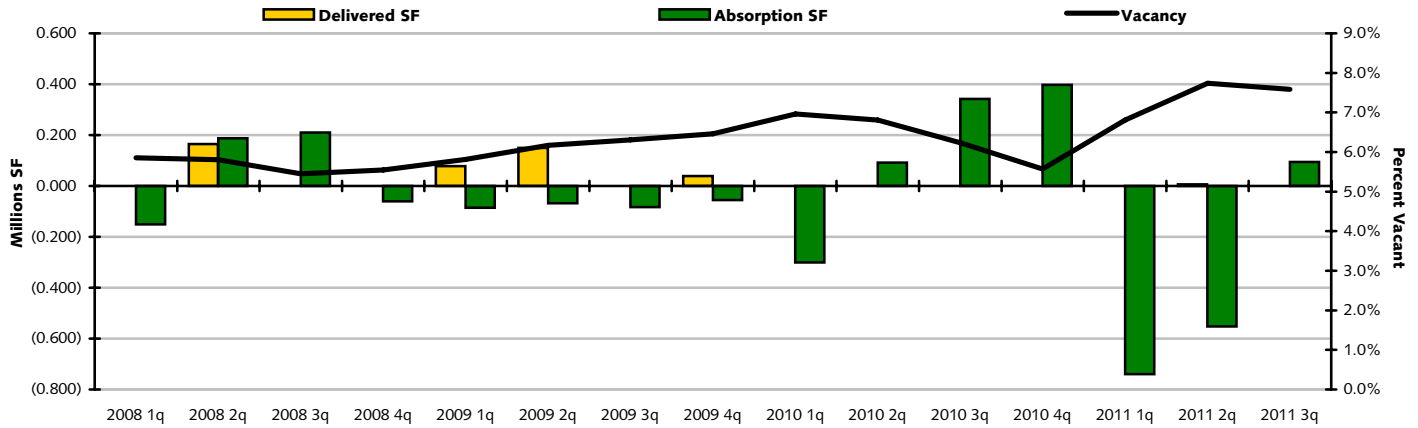
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

NORTHWEST MARKET

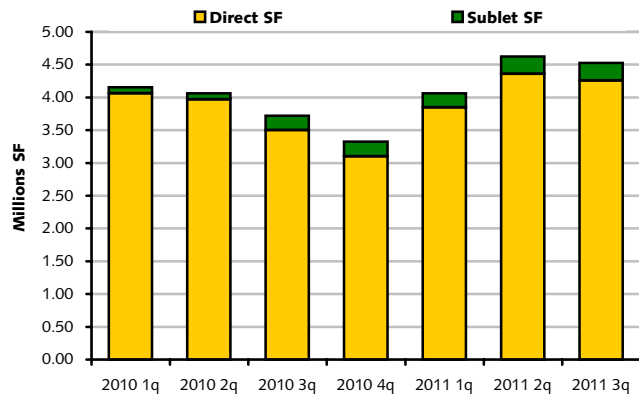
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



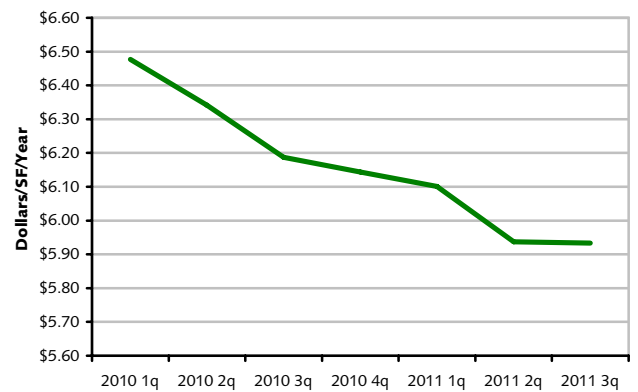
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	1,170	59,710,507	4,527,980	7.6%	94,408	0	0	1	300,000	\$5.93
2011 2q	1,170	59,710,507	4,622,388	7.7%	(552,139)	1	6,247	0	0	\$5.94
2011 1q	1,169	59,704,260	4,064,002	6.8%	(739,214)	0	0	1	6,247	\$6.10
2010 4q	1,169	59,704,260	3,324,788	5.6%	397,115	0	0	0	0	\$6.14
2010 3q	1,169	59,704,260	3,721,903	6.2%	342,635	0	0	0	0	\$6.19
2010 2q	1,169	59,704,260	4,064,538	6.8%	92,146	0	0	0	0	\$6.34
2010 1q	1,169	59,704,260	4,156,684	7.0%	(300,185)	0	0	0	0	\$6.48
2009 4q	1,169	59,704,260	3,856,499	6.5%	(54,892)	1	38,450	0	0	\$6.81
2009 3q	1,168	59,665,810	3,763,157	6.3%	(82,513)	0	0	1	38,450	\$7.09
2009 2q	1,168	59,665,810	3,680,644	6.2%	(68,424)	2	150,088	1	38,450	\$6.96
2009 1q	1,166	59,515,722	3,462,132	5.8%	(85,899)	2	77,639	3	188,538	\$7.09
2008 4q	1,164	59,438,083	3,298,594	5.5%	(60,561)	0	0	4	227,727	\$7.04
2008 3q	1,164	59,438,083	3,238,033	5.4%	210,544	0	0	2	77,639	\$6.98
2008 2q	1,164	59,438,083	3,448,577	5.8%	187,581	2	164,507	1	58,445	\$6.85
2008 1q	1,162	59,273,576	3,471,651	5.9%	(150,783)	0	0	2	164,507	\$6.72
2007 4q	1,162	59,273,576	3,320,868	5.6%	(8,034)	1	104,004	1	75,650	\$6.50

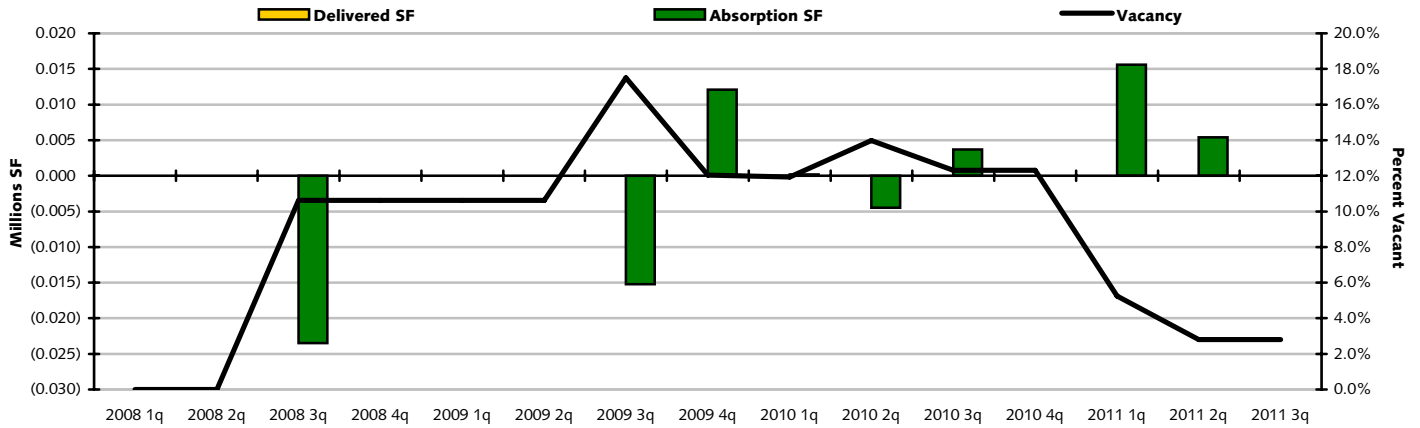
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

PIERCE COUNTY MARKET

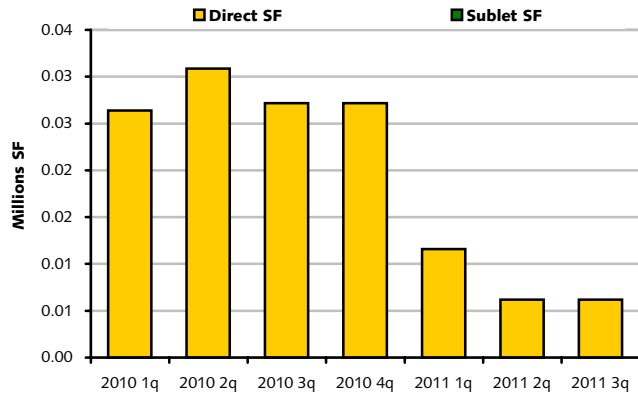
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



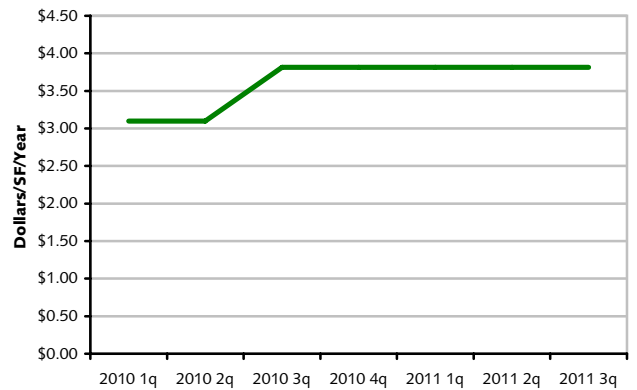
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	21	220,926	6,200	2.8%	0	0	0	0	0	\$3.81
2011 2q	21	220,926	6,200	2.8%	5,400	0	0	0	0	\$3.81
2011 1q	21	220,926	11,600	5.3%	15,580	0	0	0	0	\$3.81
2010 4q	21	220,926	27,180	12.3%	0	0	0	0	0	\$3.81
2010 3q	21	220,926	27,180	12.3%	3,700	0	0	0	0	\$3.81
2010 2q	21	220,926	30,880	14.0%	(4,500)	0	0	0	0	\$3.10
2010 1q	21	220,926	26,380	11.9%	200	0	0	0	0	\$3.10
2009 4q	21	220,926	26,580	12.0%	12,100	0	0	0	0	\$3.35
2009 3q	21	220,926	38,680	17.5%	(15,200)	0	0	0	0	\$3.07
2009 2q	21	220,926	23,480	10.6%	0	0	0	0	0	\$0.00
2009 1q	21	220,926	23,480	10.6%	0	0	0	0	0	\$0.00
2008 4q	21	220,926	23,480	10.6%	0	0	0	0	0	\$0.00
2008 3q	21	220,926	23,480	10.6%	(23,480)	0	0	0	0	\$0.00
2008 2q	21	220,926	0	0.0%	0	0	0	0	0	\$0.00
2008 1q	21	220,926	0	0.0%	0	0	0	0	0	\$0.00
2007 4q	21	220,926	0	0.0%	0	0	0	0	0	\$0.00

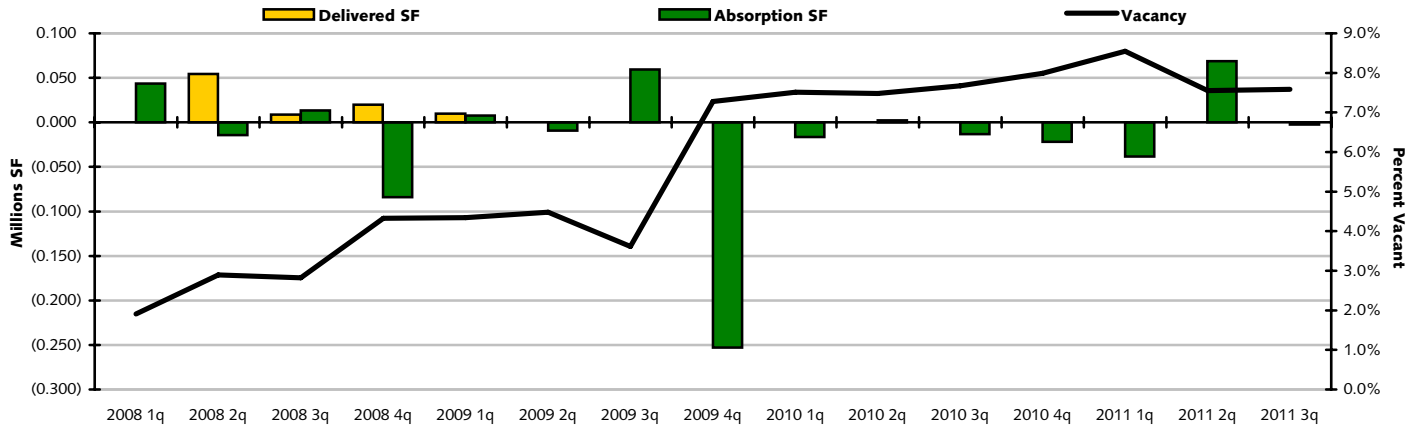
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

SHERBURNE COUNTY MARKET

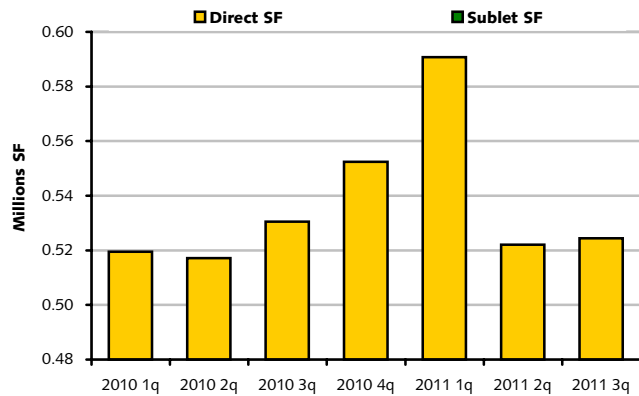
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



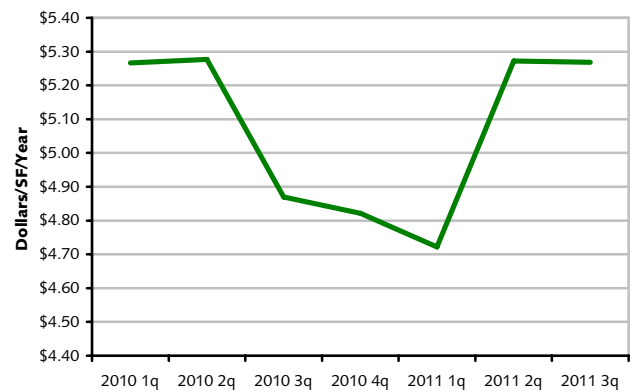
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	305	6,912,597	524,422	7.6%	(2,345)	0	0	0	0	\$5.27
2011 2q	305	6,912,597	522,077	7.6%	68,650	0	0	0	0	\$5.27
2011 1q	305	6,912,597	590,727	8.5%	(38,278)	0	0	0	0	\$4.72
2010 4q	305	6,912,597	552,449	8.0%	(21,898)	0	0	0	0	\$4.82
2010 3q	305	6,912,597	530,551	7.7%	(13,370)	0	0	0	0	\$4.87
2010 2q	305	6,912,597	517,181	7.5%	2,269	0	0	0	0	\$5.28
2010 1q	305	6,912,597	519,450	7.5%	(16,527)	0	0	0	0	\$5.27
2009 4q	305	6,912,597	502,923	7.3%	(252,926)	0	0	0	0	\$6.76
2009 3q	305	6,912,597	249,997	3.6%	59,414	0	0	0	0	\$7.44
2009 2q	305	6,912,597	309,411	4.5%	(9,083)	0	0	0	0	\$7.39
2009 1q	305	6,912,597	300,328	4.3%	7,750	1	9,720	0	0	\$7.82
2008 4q	304	6,902,877	298,358	4.3%	(84,026)	1	20,000	1	9,720	\$7.44
2008 3q	303	6,882,877	194,332	2.8%	13,345	1	8,820	2	29,720	\$8.30
2008 2q	302	6,874,057	198,857	2.9%	(14,460)	1	54,300	2	28,820	\$8.43
2008 1q	301	6,819,757	130,097	1.9%	43,572	0	0	2	63,120	\$5.90
2007 4q	301	6,819,757	173,669	2.5%	74,915	1	60,000	2	63,120	\$6.47

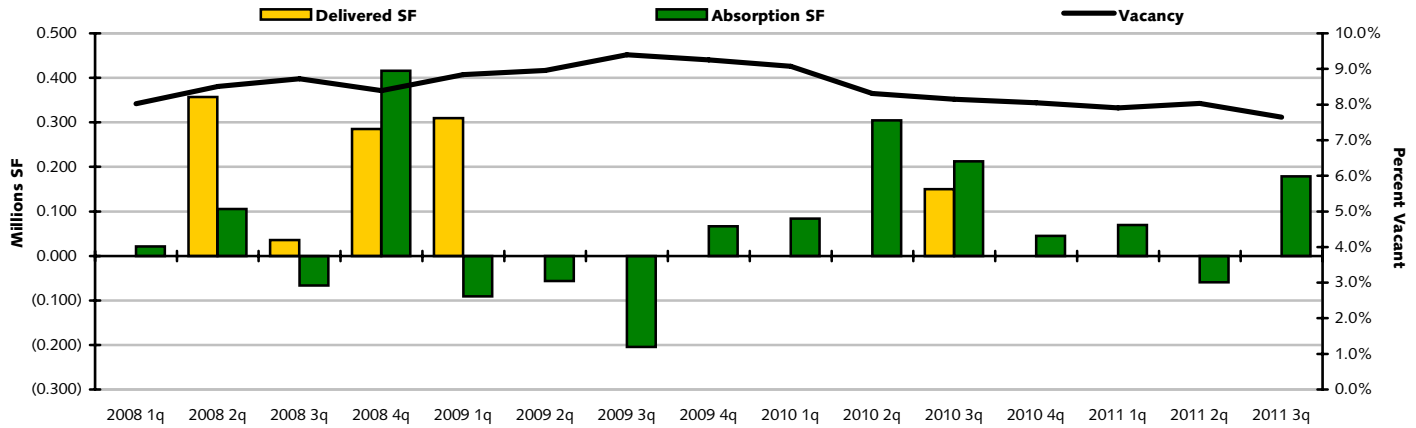
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

SOUTH CENTRAL MARKET

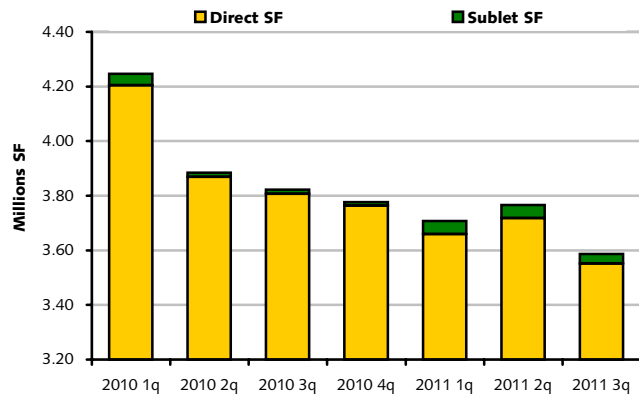
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



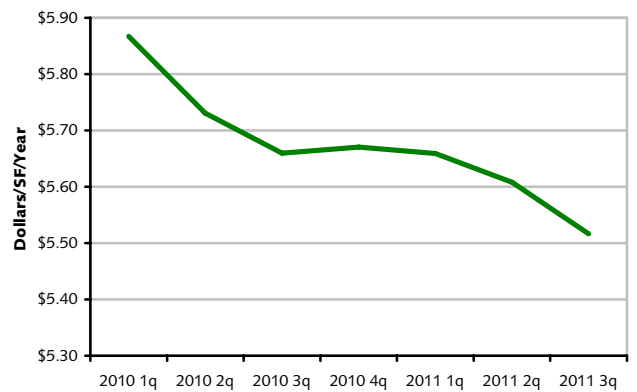
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	1,071	46,886,409	3,587,005	7.7%	178,958	0	0	0	0	\$5.52
2011 2q	1,071	46,886,409	3,765,963	8.0%	(59,043)	0	0	0	0	\$5.61
2011 1q	1,071	46,886,409	3,706,920	7.9%	69,678	0	0	0	0	\$5.66
2010 4q	1,071	46,886,409	3,776,598	8.1%	45,240	0	0	0	0	\$5.67
2010 3q	1,071	46,886,409	3,821,838	8.2%	212,602	1	150,000	0	0	\$5.66
2010 2q	1,070	46,736,409	3,884,440	8.3%	304,525	0	0	1	150,000	\$5.73
2010 1q	1,071	46,794,303	4,246,859	9.1%	83,948	0	0	1	150,000	\$5.87
2009 4q	1,071	46,794,303	4,330,807	9.3%	66,876	0	0	1	150,000	\$6.09
2009 3q	1,071	46,794,303	4,397,683	9.4%	(204,392)	0	0	0	0	\$6.12
2009 2q	1,071	46,794,303	4,193,291	9.0%	(56,383)	0	0	0	0	\$6.23
2009 1q	1,071	46,794,303	4,136,908	8.8%	(91,162)	3	309,695	0	0	\$6.13
2008 4q	1,069	46,663,654	3,915,097	8.4%	415,691	1	285,127	3	309,695	\$6.32
2008 3q	1,068	46,378,527	4,045,661	8.7%	(66,652)	1	36,000	3	312,722	\$6.37
2008 2q	1,067	46,342,527	3,943,009	8.5%	105,608	3	357,226	2	321,127	\$6.07
2008 1q	1,064	45,985,301	3,691,391	8.0%	21,340	0	0	5	678,353	\$6.11
2007 4q	1,064	45,985,301	3,712,731	8.1%	(76,334)	3	209,806	3	357,226	\$5.85

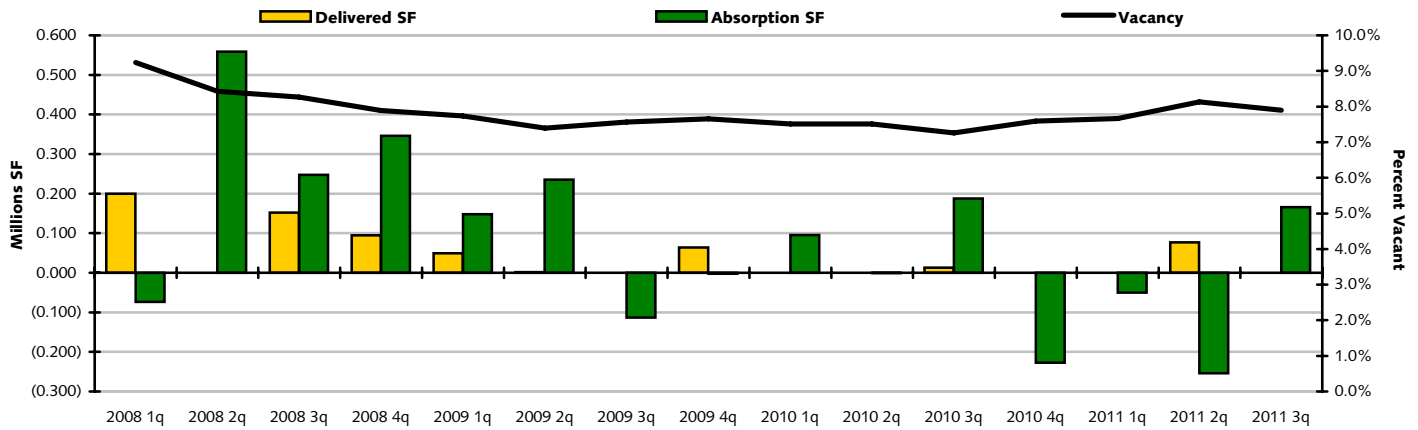
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

SOUTHWEST MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

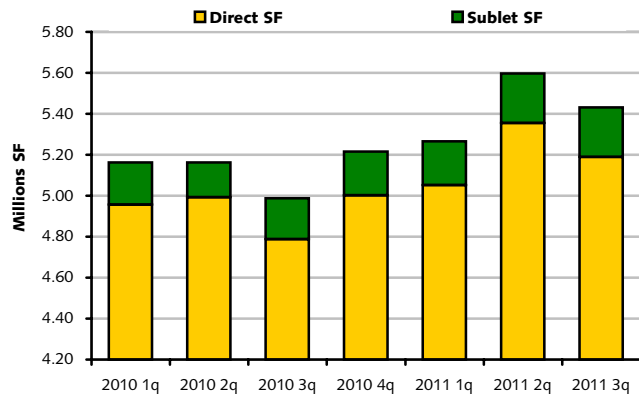
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

VACANT SPACE

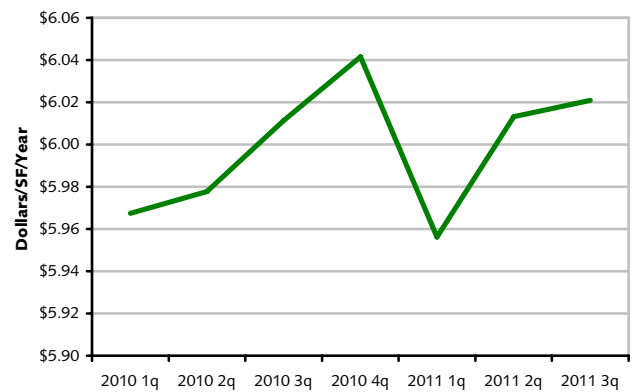
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	1,506	68,799,273	5,430,735	7.9%	165,458	0	0	0	0	\$6.02
2011 2q	1,506	68,799,273	5,596,193	8.1%	(254,099)	1	76,782	0	0	\$6.01
2011 1q	1,505	68,722,491	5,265,312	7.7%	(50,002)	0	0	1	76,782	\$5.96
2010 4q	1,505	68,722,491	5,215,310	7.6%	(227,520)	0	0	1	76,782	\$6.04
2010 3q	1,505	68,722,491	4,987,790	7.3%	187,843	1	13,000	1	76,782	\$6.01
2010 2q	1,504	68,709,491	5,162,633	7.5%	(633)	0	0	1	13,000	\$5.98
2010 1q	1,504	68,709,491	5,162,000	7.5%	95,119	0	0	1	13,000	\$5.97
2009 4q	1,504	68,709,491	5,257,119	7.7%	(2,406)	1	64,000	1	13,000	\$6.11
2009 3q	1,503	68,645,491	5,190,713	7.6%	(113,375)	0	0	2	77,000	\$6.15
2009 2q	1,503	68,645,491	5,077,338	7.4%	235,386	1	1,520	2	77,000	\$6.15
2009 1q	1,502	68,643,971	5,311,204	7.7%	148,202	2	49,349	2	14,520	\$6.16
2008 4q	1,500	68,594,622	5,410,057	7.9%	345,702	3	94,412	4	63,869	\$6.16
2008 3q	1,497	68,500,210	5,661,347	8.3%	247,788	2	151,800	6	156,761	\$6.03
2008 2q	1,495	68,348,410	5,757,335	8.4%	558,434	0	0	6	259,212	\$6.04
2008 1q	1,495	68,348,410	6,315,769	9.2%	(73,866)	5	199,671	3	164,800	\$6.07
2007 4q	1,490	68,148,739	6,042,232	8.9%	53,672	1	42,440	7	351,471	\$6.08

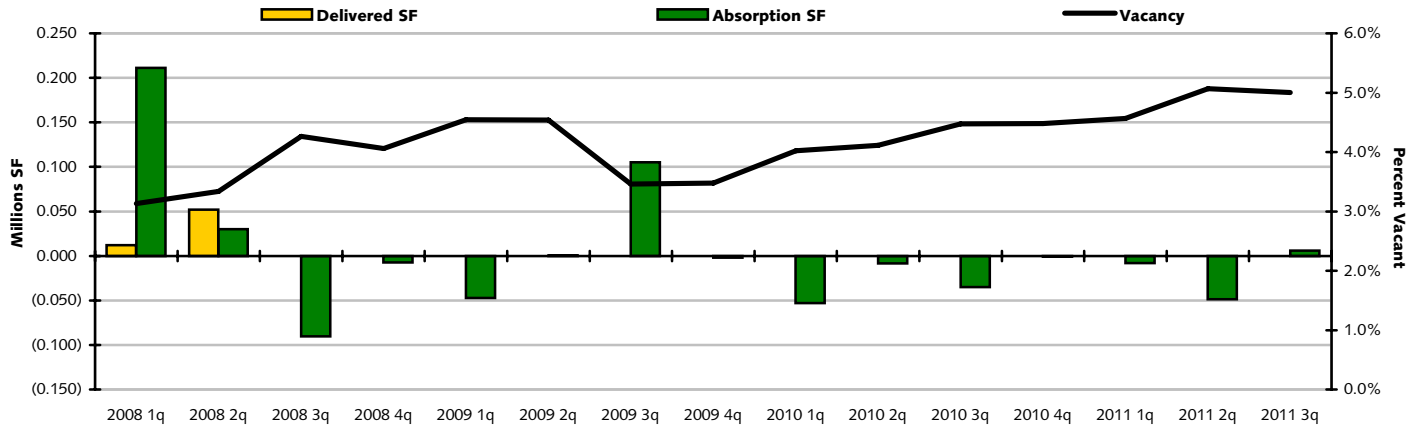
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

ST CROIX COUNTY MARKET

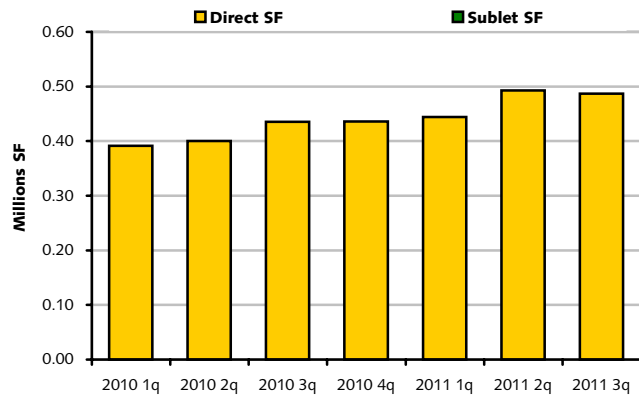
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



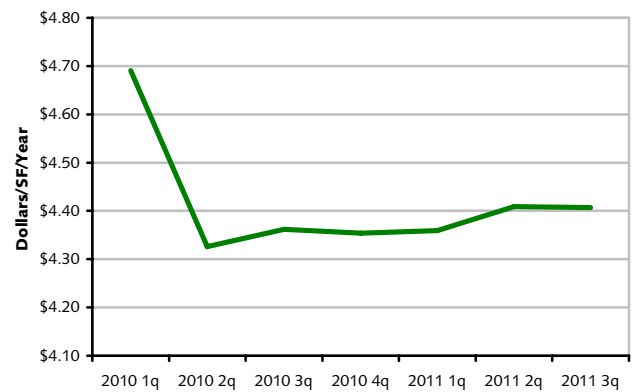
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

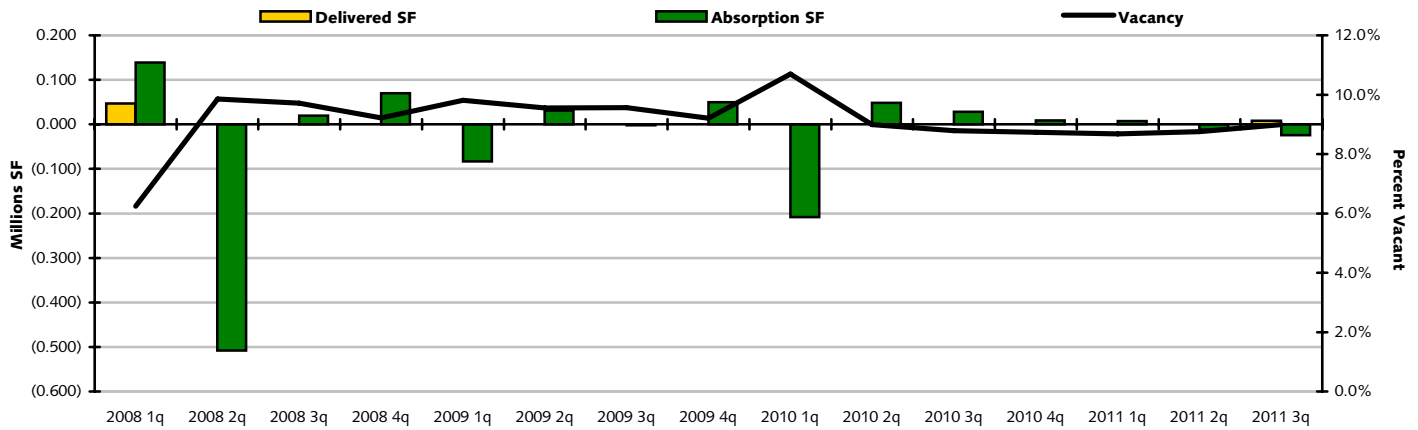
Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	394	9,733,183	486,944	5.0%	6,014	0	0	0	0	\$4.41
2011 2q	394	9,733,183	492,958	5.1%	(48,695)	0	0	0	0	\$4.41
2011 1q	394	9,733,183	444,263	4.6%	(8,212)	0	0	0	0	\$4.36
2010 4q	394	9,733,183	436,051	4.5%	(796)	0	0	0	0	\$4.35
2010 3q	394	9,733,183	435,255	4.5%	(35,073)	0	0	0	0	\$4.36
2010 2q	394	9,733,183	400,182	4.1%	(8,499)	0	0	0	0	\$4.33
2010 1q	394	9,733,183	391,683	4.0%	(53,000)	0	0	0	0	\$4.69
2009 4q	394	9,733,183	338,683	3.5%	(2,082)	0	0	0	0	\$4.62
2009 3q	394	9,733,183	336,601	3.5%	105,156	0	0	0	0	\$5.70
2009 2q	394	9,733,183	441,757	4.5%	484	0	0	0	0	\$5.64
2009 1q	394	9,733,183	442,241	4.5%	(47,123)	0	0	0	0	\$6.90
2008 4q	394	9,733,183	395,118	4.1%	(7,397)	0	0	0	0	\$5.59
2008 3q	395	9,761,736	416,274	4.3%	(90,386)	0	0	0	0	\$5.16
2008 2q	395	9,761,736	325,888	3.3%	30,100	1	52,000	0	0	\$4.25
2008 1q	394	9,709,736	303,988	3.1%	211,152	1	12,000	1	52,000	\$4.58
2007 4q	393	9,697,736	503,140	5.2%	(300)	1	50,000	2	64,000	\$6.28

Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

ST PAUL MARKET MARKET HIGHLIGHTS - FLEX & WAREHOUSE

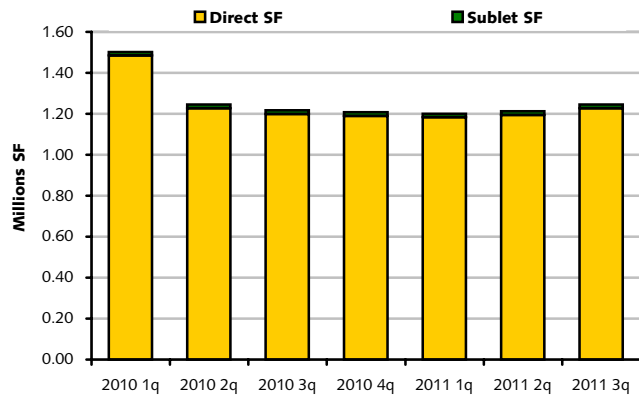
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

VACANT SPACE

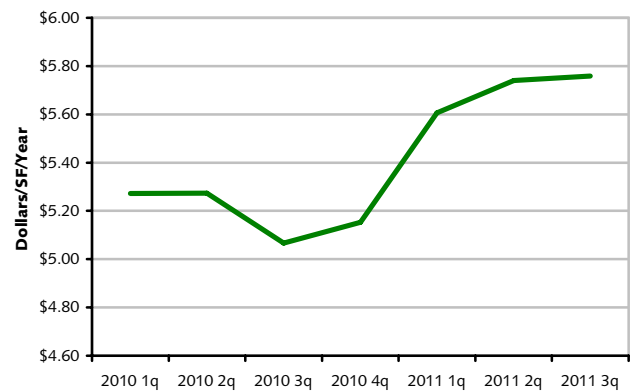
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	406	13,849,061	1,244,649	9.0%	(23,971)	1	8,242	1	125,000	\$5.76
2011 2q	405	13,840,819	1,212,436	8.8%	(11,703)	0	0	2	133,242	\$5.74
2011 1q	405	13,840,819	1,200,733	8.7%	7,269	0	0	2	133,242	\$5.61
2010 4q	405	13,840,819	1,208,002	8.7%	8,799	0	0	1	8,242	\$5.15
2010 3q	405	13,840,819	1,216,801	8.8%	28,001	0	0	1	8,242	\$5.07
2010 2q	405	13,840,819	1,244,802	9.0%	48,460	0	0	1	8,242	\$5.27
2010 1q	406	14,049,819	1,502,262	10.7%	(208,025)	0	0	1	8,242	\$5.27
2009 4q	406	14,049,819	1,294,237	9.2%	49,884	0	0	0	0	\$5.09
2009 3q	406	14,049,819	1,344,121	9.6%	(1,711)	0	0	0	0	\$5.26
2009 2q	406	14,049,819	1,342,410	9.6%	31,124	0	0	0	0	\$5.28
2009 1q	407	14,054,912	1,378,627	9.8%	(83,470)	0	0	0	0	\$5.58
2008 4q	407	14,054,912	1,295,157	9.2%	70,147	0	0	0	0	\$6.08
2008 3q	407	14,054,912	1,365,304	9.7%	19,664	0	0	0	0	\$5.89
2008 2q	407	14,054,912	1,384,968	9.9%	(507,765)	0	0	0	0	\$5.66
2008 1q	407	14,054,912	877,203	6.2%	139,220	2	46,800	0	0	\$6.38
2007 4q	405	14,008,112	969,623	6.9%	(150,303)	0	0	2	46,800	\$6.14

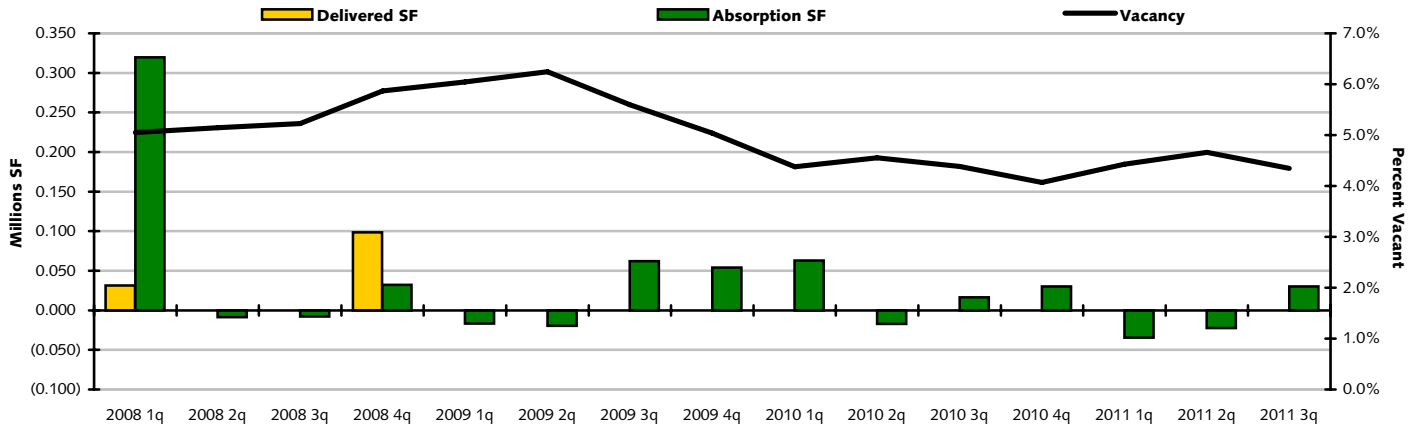
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

STEARNS COUNTY MARKET

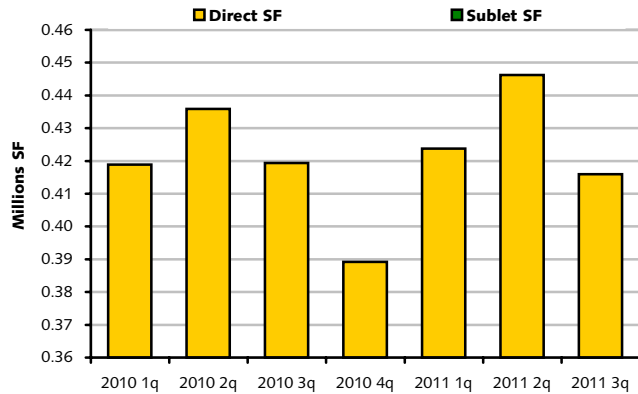
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



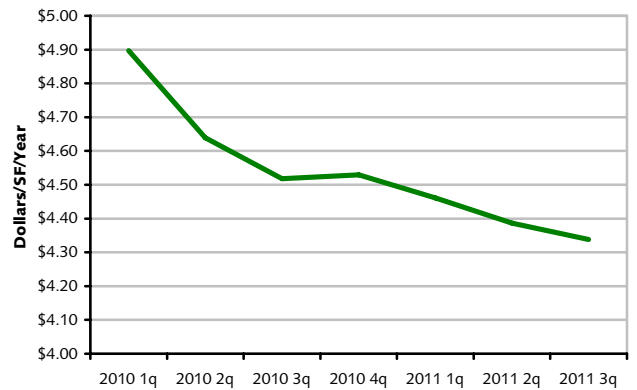
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	375	9,571,362	415,916	4.3%	30,354	0	0	0	0	\$4.34
2011 2q	375	9,571,362	446,270	4.7%	(22,496)	0	0	0	0	\$4.39
2011 1q	375	9,571,362	423,774	4.4%	(34,535)	0	0	0	0	\$4.46
2010 4q	375	9,571,362	389,239	4.1%	30,133	0	0	0	0	\$4.53
2010 3q	375	9,571,362	419,372	4.4%	16,460	0	0	0	0	\$4.52
2010 2q	375	9,571,362	435,832	4.6%	(16,916)	0	0	0	0	\$4.64
2010 1q	375	9,571,362	418,916	4.4%	63,020	0	0	0	0	\$4.90
2009 4q	375	9,571,362	481,936	5.0%	54,055	0	0	0	0	\$4.89
2009 3q	375	9,571,362	535,991	5.6%	62,032	0	0	0	0	\$5.20
2009 2q	375	9,571,362	598,023	6.2%	(19,515)	0	0	0	0	\$5.63
2009 1q	375	9,571,362	578,508	6.0%	(16,909)	0	0	0	0	\$5.10
2008 4q	375	9,571,362	561,599	5.9%	32,040	1	98,333	0	0	\$5.20
2008 3q	374	9,473,029	495,306	5.2%	(7,864)	0	0	1	98,333	\$5.22
2008 2q	374	9,473,029	487,442	5.1%	(8,791)	0	0	1	98,333	\$5.39
2008 1q	374	9,473,029	478,651	5.1%	319,555	4	31,210	1	98,333	\$5.28
2007 4q	370	9,441,819	766,996	8.1%	(143,734)	0	0	5	129,543	\$5.78

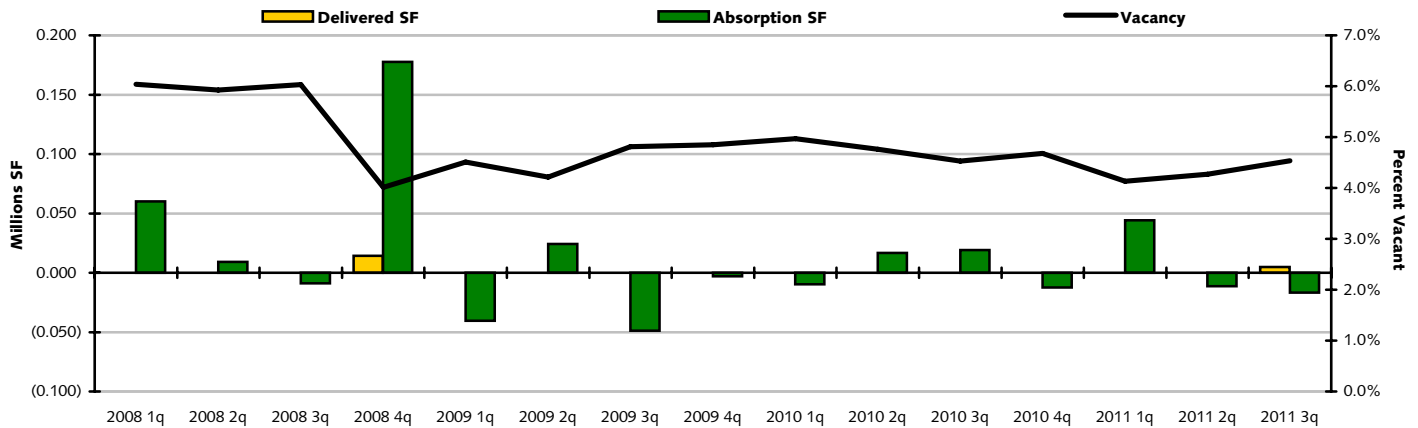
Source: CoStar Property®

MINNEAPOLIS INDUSTRIAL MARKET

WRIGHT COUNTY MARKET

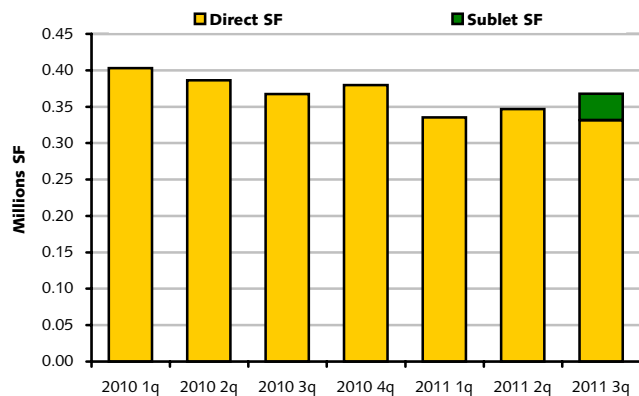
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



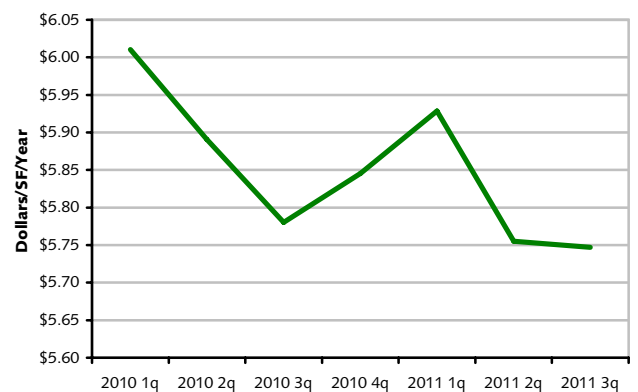
Source: CoStar Property®

VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2011 3q	436	8,117,905	367,957	4.5%	(16,589)	1	4,800	0	0	\$5.75
2011 2q	435	8,113,105	346,568	4.3%	(11,186)	0	0	1	4,800	\$5.76
2011 1q	435	8,113,105	335,382	4.1%	44,229	0	0	1	4,800	\$5.93
2010 4q	435	8,113,105	379,611	4.7%	(12,376)	0	0	1	4,800	\$5.85
2010 3q	435	8,113,105	367,235	4.5%	19,250	0	0	1	4,800	\$5.78
2010 2q	435	8,113,105	386,485	4.8%	16,655	0	0	0	0	\$5.89
2010 1q	435	8,113,105	403,140	5.0%	(9,824)	0	0	0	0	\$6.01
2009 4q	435	8,113,105	393,316	4.8%	(2,906)	0	0	0	0	\$6.14
2009 3q	435	8,113,105	390,410	4.8%	(48,716)	0	0	0	0	\$6.22
2009 2q	435	8,113,105	341,694	4.2%	24,135	0	0	0	0	\$6.76
2009 1q	435	8,113,105	365,829	4.5%	(40,465)	0	0	0	0	\$7.06
2008 4q	435	8,113,105	325,364	4.0%	177,586	1	14,400	0	0	\$6.89
2008 3q	434	8,098,705	488,550	6.0%	(8,784)	0	0	1	14,400	\$6.99
2008 2q	434	8,098,705	479,766	5.9%	9,167	0	0	1	14,400	\$6.40
2008 1q	434	8,098,705	488,933	6.0%	60,017	0	0	0	0	\$6.09
2007 4q	434	8,098,705	548,950	6.8%	(22,984)	0	0	0	0	\$6.09

Source: CoStar Property®