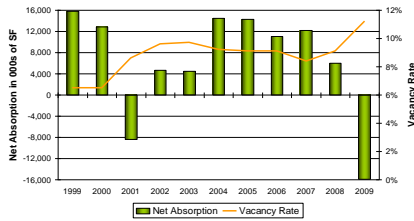


METRO CHICAGO INDUSTRIAL MARKET AT YEAR-END 2009

Net Absorption of Industrial Space and Direct Vacancy Rate Trends Metro Chicago 1999 – 2009



Source: Vacancy – Delta Associates analysis of CoStar data; Net Absorption – Delta Associates, December 2009.

We expect the overall Metro Chicago industrial vacancy rate to stabilize in the 12% - 13% range in 2010.

Market Remains Weak

Metro Chicago companies continue to shed warehouse and manufacturing space due to the ongoing economic weakness. The Metro Chicago industrial market recorded negative 5.6 million SF of net absorption during the 4th quarter of 2009. Net absorption for all of 2009 totaled negative 15.9 million SF, compared to positive 6.0 million SF in 2008. Net absorption by space type in SF:

	4 th Q '09	All of 2009
• Warehouse/Distr.	(4,899,000)	(9,359,000)
• Manufacturing	(424,000)	(5,455,000)
• Flex/R&D	(247,000)	(1,069,000)

There is currently 6.5 million SF of sublease space on the market at year-end 2009, up from 6.1 million SF a year ago. Sublease space currently represents 0.6% of standing inventory, the same as at year-end 2008.

Industrial Vacancy Rises Significantly

The overall industrial vacancy rate in Metro Chicago jumped to 11.8% at year-end 2009, from 11.2% in the 3rd quarter and 9.7% a year ago. The direct vacancy rate rose to 11.2% at December 2009, from 10.6% in September and 9.1% a year ago. The sublease vacancy rate, at 0.6%, was unchanged in 2009.

Industrial Construction: Pipeline Shrinks

Industrial space under construction in Metro Chicago dwindled to 346,000 SF at year-end 2009, from 1.7 million SF in the 3rd quarter and 5.0 million SF a year ago. Space under construction at year-end 2009 is 96% pre-leased.

Industrial space deliveries totaled 8.3 million SF in Metro Chicago in 2009, down from 18.7 million SF in 2008. Space delivered in 2009 was 39% leased at delivery, compared to 24% in 2008.

Industrial Rents: Declining

Industrial rents decreased by 6.0% in 2009, after declining 3.2% in 2008. Overall industrial rents average \$4.79/SF, NNN, at year-end 2009. We expect industrial rents to decline through mid-2010, before stabilizing as market conditions begin to firm.

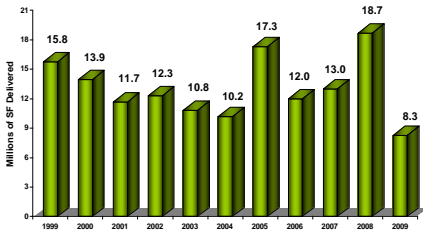
Investment Sales: Slow

Industrial investment sales totaled \$312 million in Metro Chicago in 2009, compared to \$1.2 billion in 2008. Sales prices averaged \$49/SF in 2009, down from \$54/SF in 2008. Sales activity remains constricted due to weak market conditions and near-frozen capital markets.

Metro Chicago Industrial Market Outlook

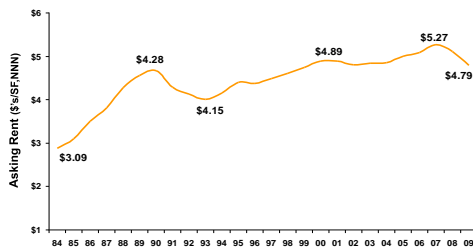
The Metro Chicago industrial market will remain weak through much of 2010 as limited demand persists. Stronger economic conditions and improving consumer sentiment in the latter stages of 2010 likely will boost demand for goods and result in stronger market conditions in 2011. Vacancy will likely settle in the 12% - 13% range in 2010, while rents continue to decline.

Industrial Space Delivered Metro Chicago 1999 – 2009



Source: CoStar, Delta Associates, December 2009.

Average Industrial Rents Metro Chicago 1984 Through 2009



Source: CoStar, Delta Associates, December 2009.