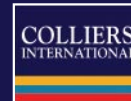


Houston Industrial Market

Excerpts from Third Quarter 2009 Houston Industrial Market Research by Colliers International



Sales Activity

Houston industrial investment sales activity remained anemic through the third quarter with the majority of property sales in the last three months falling in the less than 50,000 sq. ft. range (among the few exceptions are the properties listed below). Year-to-date sales volume reached \$813.2 million with a combined total of 12 million sq.ft. and an \$84 price per sq. ft. average.*

YHR Partners I (Spec's Wines, Spirits and Finer Foods) acquired the 200,850 sq. ft. Claypoint Industrial Park located at 8830 Clay Road in the Northwest Corridor from Weingarten Realty for approximately \$11 million of \$55 per sq. ft. Spec's will be fully occupying the previously vacant warehouse completed in 2008.

Northstar commercial Partners acquired the 369,364 sq. ft. Sugar Land Corporate Center located at 1601 Gillingham Lane for \$15.7 million or \$43 per sq. ft. from Amegy Bank of Texas. Prior to being foreclosed by Amegy, the 2005 built property was the new headquarters for the now in bankruptcy Houston-based Fingers Furniture.

Among the largest industrial portfolio transactions in the third quarter, AeroTerm U.S. acquired 27 properties with a combined 1.2 million sq. ft. for \$150.4 million or \$121 per sq. ft. from YRC Worldwide. Included in the sale leaseback was the 60,239 sq. ft. truck terminal located at 9415 Wallisville in the Southeast industrial corridor.



* Houston Industrial Investment Sales

Year-to-date 2009

Total volume: \$813.2 (in millions)
 # of properties: 117
 Total Sq. Ft.: 11,993,764
 Price/Sq. Ft.: \$84
 Average Cap: 10.6%

Source: Costar Comps



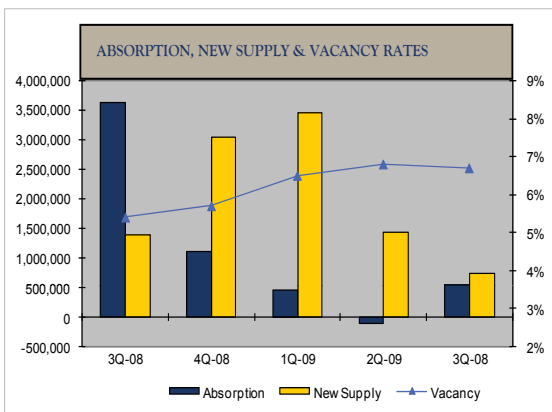
Claypoint Industrial Park, 8830 Clay Road Northwest Corridor

SELECT INDUSTRIAL PROJECTS UNDER CONSTRUCTION

Submarket	Building Park	Building Name	Building Address	RBA	% Leased	Developer Name	Estimated Delivery
Sugar Land		Rooms To Go Distribution Center	I-10	1,000,000	100	Rooms To Go, Inc	Dec-09
Northwest Inner Loop		TAM International	6909 US 290	150,000	100	TAM International	Dec-09
Northwest Hwy 6	Hempstead 1960 Business Park	20220 Hempstead Industrial WH	20220 Hempstead Rd	130,000	0	Capital RE Commercial	Nov-09
Hwy 290/Tomball Pkwy	Bethway 249 Business Park	15825 Tomball Pkwy Flex Bldg	15825 Tomball Parkway	100,000	35	Capital RE Commercial	Dec-09
North Hardy Toll Road	AMB IAH Logistics Center III	Forward Air BTS	19220 Kenswick Dr	98,250	100	AMB Property Corp.	Jan-10
Northwest Hwy 6	Tomball Parkway Business Center	22955 Tomball Pkwy Industrial WH	22955 Tomball Pkwy	70,000	0	Capital RE Commercial	Sep-09
North Outer Loop		16827 W. Hardy Industrial WH	16827 W. Hardy	67,250	0	The National Realty Group	Dec-09
Sugar Land		522 Gillingham Industrial WH	522 Gillingham Ln	57,013	100	City of Sugar Land	Oct-09
Northeast Hwy 90		14418 Smith Industrial WH	14418 Smith Rd	30,000	0	Capital RE Commercial	Nov-09
Sugar Land	Stoney Creek Center	Stoney Creek Center, Bldgs. C & E	1420 Katy Flewellen Rd	20,000	0	Lionheart Commercial Development	Jun-10
Total under construction industrial projects listed above				1,720,513			
Grand total under construction (including industrial projects over 10,000 sq. ft.)				1,720,513			

SELECT INDUSTRIAL DELIVERIES YEAR-TO-DATE 2009

Submarket	Building Park	Building Name	Building Address	RBA	% Leased	Developer	Delivery Date
East-Southeast Far Ind	Interport Business Park	Interport II	13031 Bay Area Blvd	734,448	0	First Industrial Realty Trust	Jan-09
East-Southeast Far Ind		Underwood II	359 Old Underwood Rd	710,000	90.14	Clay Development & Construction, Inc.	Jan-09
East-Southeast Far Ind	Ellington Trade Center Phase I	Ellington Trade Center, Bldgs. A,B,D	12556 Highway 3	513,800	0	Koill Development Company	May-09
North Hardy Toll Road Ind	Hardy Distribution Center	Walgreens Distribution Center	1805 Greens Rd	500,290	100	Simpkins Group	Feb-09
North Hardy Toll Road Ind	Airtex Industrial Center	Airtex Industrial Center	14500 North Fwy	486,720	0	Paranition Development	Oct-09
Hwy 59/Hwy 90 (AT) Ind	Freeport Ninety Business Park	Freeport Ninety BP, 5 Bldgs.	13843 N Promenade Blvd	349,177	45.00	Avera Companies	Feb-09
West Outer Loop Ind	Satsuma Station Industrial Park	Satsuma Distribution Center 1	9020 Jackrabbit Rd	315,120	0	Pinpoint Commercial LP	Jun-09
Southwest Far Ind	Corporate Centre Kirby	Corporate Centre Kirby, III & IV	9240-9360 Kirby Dr	293,695	52.00	Warehouse Associates	Mar-09
Hwy 59/Hwy 90 (AT) Ind	Bethway Crossing	Bethway Crossing, Bldgs. 1 & 2	13323 S Gessner	282,280	0	Thakraray and Chief Partners	Jan-09
South Hwy 35 Ind	Park 288	Park 288, 3 Bldgs.	2710-2730 Reed Rd	269,331	49.00	Transwestern	Jan-09
Northwest Near Ind	Guhn Road Distribution Center	Guhn Road Distribution Center	6535 Guhn Rd	253,838	0	EastGroup Properties	Feb-09
Southwest Far Ind	Lakeview Business Park	Lakeview Business Park, 3 Bldgs.	14511, 14623 Fairway Pines Dr	240,959	0	Trammell Crow Company	Mar-09
East-Southeast Far Ind	Ellington Trade Center Phase I	Ellington Trade Center, 2 Bldgs.	12552-12554 Highway 3	229,500	0	Koill Development Company	Jun-09
West Outer Loop Ind	Port North West	Port North West, 2 Bldgs.	7200 Golden Gate Dr	153,044	0	Transwestern	Sep-09
South Hwy 35 Ind	Park 288	Park 288, 2 Bldgs.	2720-2730 Reed Rd	137,925	0	Transwestern	Jan-09
Northwest Outliers Ind		ECP Building	17400 Park Row	118,005	100	Sercel	Jun-09
West Outer Loop Ind		Bethway Crossing Building 7	10803 Vinecrest Dr	95,112	49.47	EastGroup Properties	Jan-09
North Outer Loop Ind		World Houston 30	5656 N Sam Houston Pkwy E	88,000	48.86	EastGroup Properties	Jun-09
Northwest Corridor Ind	Northwest Inner Loop Ind	Campbell Road Industrial, 6 Bldgs.	5603-5621 Campbell Road	76,000	29.00	First Houston Properties	Mar-09
Total Year-to-date Industrial Deliveries listed above				5,847,844			
Grand total year-to-date industrial deliveries (including deliveries less than 75,000 sq. ft.)				6,360,799			



MARKET INDICATORS	
Q3-08	Q3-09
Quarterly Net Absorption 3.6 Million SF	546,212 SF ↓
Overall NNN Rental Rate \$5.60 psf	\$5.15 psf ↓
Overall Vacancy 5.4%	6.7% ↑
Deliveries 1.2 Million SF	735,464 SF ↓
Under Construction 8.0 Million SF	1.7 Million SF ↓