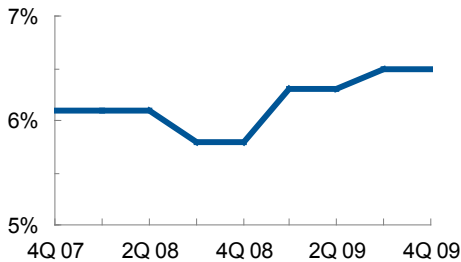


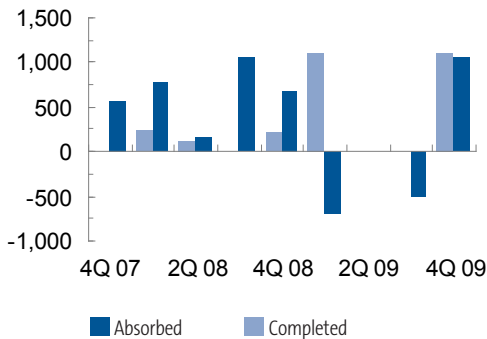
Vacancy Rate

Quarterly



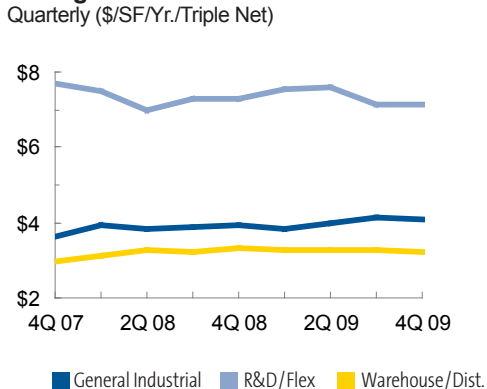
Completions vs. Absorption

Quarterly (in Thousands of SF)



Asking Rental Rates

Quarterly (\$/SF/Yr./Triple Net)



Signs of Improvement

The recent completion of the 1.1-million-square-foot Coleman distribution center in Gardner, Kansas, helped to wipe out nearly all of the negative absorption that occurred throughout 2009. The year ended with a little more than 73,000 square feet of negative absorption. The absorption number is a little misleading, however, as vacancy still increased by 70 basis points, moving from 5.8 percent at year-end 2008 to 6.5 percent in 2009.

The good news is that the monthly Survey of Manufacturers by the Federal Reserve Bank of Kansas City indicated that month-over-month production in the seven-state district increased in January by a net percentage of 13. This is the fifth straight month that the results have been positive. In addition to production, the survey also queries manufacturing on employment levels. The January employment index was positive for the first time since July 2008. This hints that the confidence of manufacturers is increasing to the level that they feel the increase in production is permanent, and warrants adding staff, a welcomed sign after a long stretch of layoffs.

One month does not make a trend, so the employment index will be an interesting one to follow in the coming months. If the economy grows and production increases, employment will follow, as many companies trimmed their workforce during the recession to be as lean as possible. Industrial vacancy is still expected to increase slightly in the short term, with improvement anticipated in either late 2010 or early 2011.

FORECAST

- Tenants will continue to look for opportunistic deals throughout the marketplace
- Landlords will be more focused on occupancy rather than increasing rental rates

KEY TRANSACTIONS

Lessee/Buyer	Lessor/Seller	Property	Size (SF)/Price
■ Aaron's Inc.	Premier Investments, LLC	1 Kansas Ave	123,735
■ Sealy Mattress of Kansas City	Grindstone Industrial Properties	435 Riverpark*	121,500
■ Hallmark Cards Inc.	Carefree Industrial Park	Carefree Industrial Park*	225,000
■ Bushnell	Sun Life Financial Inc	22101 W 167th St.	222,000

■ Leasing ■ Sales (R) = Renewal (S) = Sublease * Indicates Transaction Represented by Grubb & Ellis

Industrial Trends Report—Fourth Quarter 2009

Kansas City, MO



By Submarket	Total SF	Vacant SF	Total Vacancy %	NET ABSORPTION		Under Construction SF	ASKING RENT	
				Current	Year To Date		WH/Dist	R&D/Flex
Executive Park/Northeast	34,617,451	1,907,862	5.5%	41,663	(436,369)	-	\$2.73	\$6.23
Jackson County	85,781,345	5,686,585	6.6%	75,734	331,880	-	\$2.94	\$8.00
Johnson County	51,815,676	3,323,081	6.4%	1,139,714	817,781	-	\$4.49	\$7.16
Platte County/NKC	22,966,387	1,947,482	8.5%	(83,921)	(230,176)	-	\$3.41	\$6.66
Wyandotte County	36,272,789	2,270,637	6.3%	(106,055)	(556,238)	-	\$3.17	\$8.06
Totals	231,453,648	15,135,647	6.5%	1,067,135	(73,122)	-	\$3.20	\$7.14

By Property Type	Total SF	Vacant SF	Total Vacancy %	NET ABSORPTION		Under Construction SF	ASKING RENT	
				Current	Year To Date		WH/Dist	R&D/Flex
General Industrial	97,812,464	5,555,166	5.7%	(190,353)	(1,086,450)	-	\$4.08	
Incubator	246,820	22,469	9.1%	2,500	(4,709)	-	\$7.04	
R&D/Flex	9,478,598	1,506,881	15.9%	(53,181)	(84,230)	-	\$7.14	
Warehouse/Distribution	123,915,766	8,051,131	6.5%	1,308,169	1,102,267	-	\$3.20	
Totals	231,453,648	15,135,647	6.5%	1,067,135	(73,122)	-	\$3.75	

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INDUSTRIAL TERMS AND DEFINITIONS

Inventory: Industrial inventory includes all multi-tenant, single tenant and owner occupied buildings at least 20,000 square feet.

Industrial Buildings Classifications: Industrial buildings are categorized as warehouse/distribution, general industrial, R&D/flex and incubator based on their physical characteristics including percent office build-out, clear height, typical bay depth, typical suite size, type of loading and typical uses.

Vacancy and Availability: The vacancy rate is the amount of physically vacant space divided by the inventory and includes direct

and sublease vacant. The availability rate is the amount of space available for lease divided by the inventory.

Net Absorption: The net change in physically occupied space over a period of time.

Asking Rent: The dollar amount asked by landlords for available space expressed in dollars per square foot per year in most parts of the country, and dollars per square foot per month in areas of California and selected other markets. Industrial rents are expressed as triple net where all costs including, but not limited to, real estate

taxes, insurance and common area maintenance are borne by the tenant on a pro rata basis. The asking rent for each building in the market is weighed by the amount of available space in the building.

**Grubb & Ellis statistics are audited annually and may result in revisions to previously reported quarterly and final year-end figures.*