

Industrial Update

2011 Recap
2012 Forecast



Jim Larkin
Inland Companies



Overall Market Statistics

Total Inventory 268,008,428 SF

Total Available 27,351,950 SF

Total Vacancy Rate 7.6%

Year to Date Absorption 3,019,242 SF

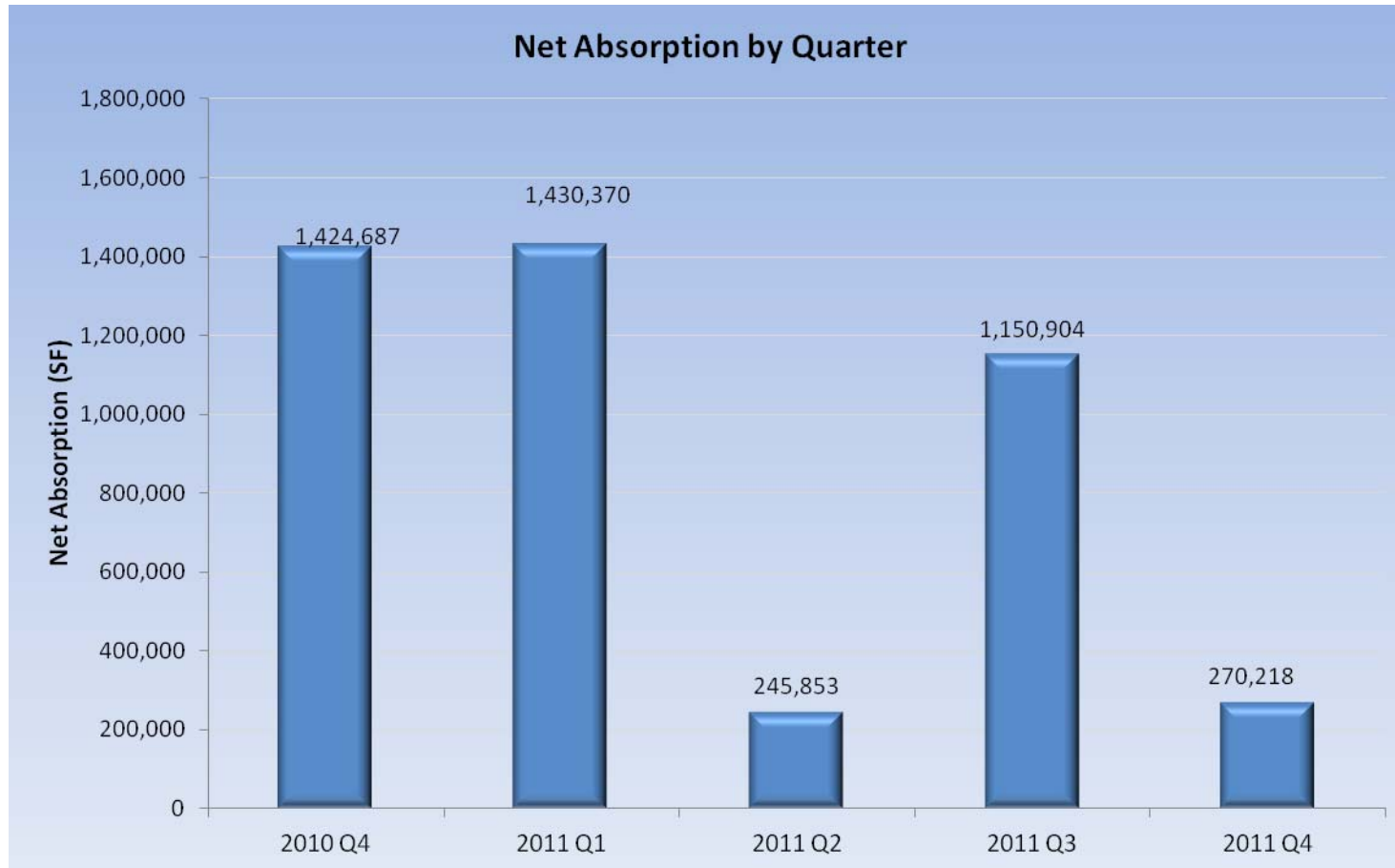


Summary of 2011

- 2011 was a year of “big deals”
- Absorption of over 3,000,000 SF
- Quarterly declining vacancy rate
- Redevelopment
- Return of land sales



Absorption from Q4 2010



Information provided by Xceligent



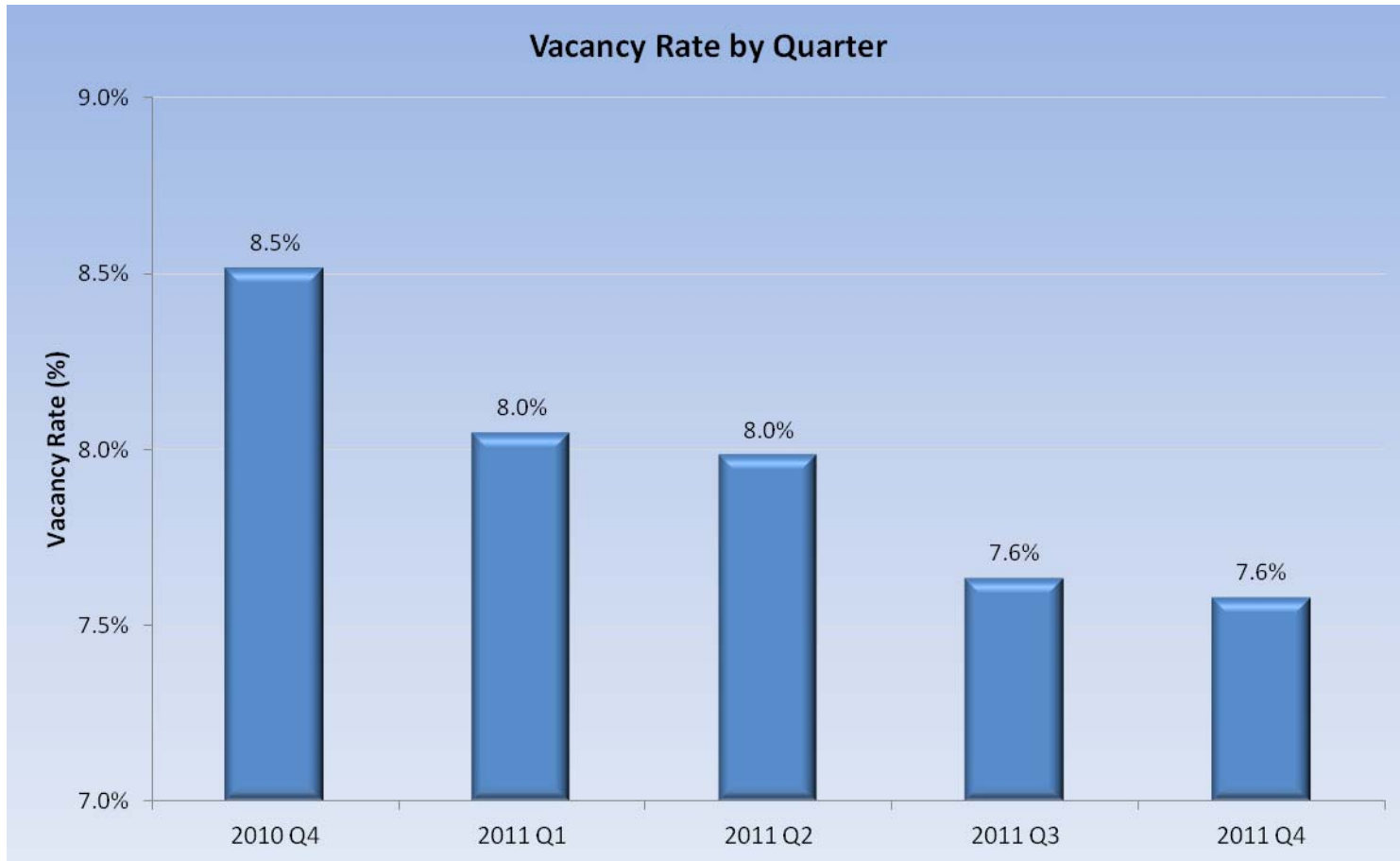
Historic Absorption

Year	Yearly Absorption
2005	491,953
2006	440,147
2007	2,496,972
2008	614,201
2009	(305,348)
2010	2,059,079
2011	3,048,642

Information provided by Xceligent



Vacancy Rate 2011



Information provided by Xceligent



Vacancy Rate Change by County

	<u>2011 Q1</u>	<u>2011 Q4</u>
Kenosha	10.76%	10.73%
Milwaukee	10.35%	9.97%
Ozaukee	13.77%	12.16%
Racine	3.47%	3.64%
Sheboygan	6.49%	6.48%
Walworth	6.69%	4.30%
Washington	6.50%	5.34%
Waukesha	5.51%	5.01%
Grand Total	7.99%	7.49%

Information provided by Xceligent

Major Lease Transactions



Brown Deer Business Park, Brown Deer, WI
Pitney Bowes - 121,000 SF



6200 N. Baker Road, Glendale, WI
Batteries Plus - 116,000 SF



5211 S. 3rd Street, Milwaukee, WI
Bentley World Packaging - 360,000 SF



11100 W. Burleigh Street, Wauwatosa, WI
Schoeneck Containers - 225,000 SF



Lakeview III, Pleasant Prairie, WI
Catalyst Exhibits - 144,281 SF



Historical Sales Chart

Year	# of Transactions	RBA SF	Sales Revenue	Price/SF
2006	235	10,035,644	\$ 357,000,000	\$35.57
2007	228	13,503,705	\$ 416,900,000	\$30.87
2008	162	6,843,468	\$ 241,500,000	\$35.29
2009	97	3,933,090	\$ 152,900,000	\$ 38.88
2010	134	6,785,393	\$ 247,700,000	\$36.50
2011	215	13,010,525	\$ 455,904,965	\$ 39.96

Information provided by Xceligent



Major Sale Transactions



1900 W. Cornell Street, Milwaukee, WI
Share Corporate – 243,056 SF
\$4,365,000 (\$17.80/SF)



1501 E. Wisconsin Street, Delavan, WI
Plastics Inc. – 186,300 SF
\$1,295,000 (\$6.00/SF)



11000 Heather Avenue, Milwaukee, WI
Diamond Precision - 84,200 SF
\$3,450,000 (\$40.97/SF)



330 W. Olive Street, Glendale, WI
Weyco Group – 80,150 SF
\$3,847,200 (\$48.00/SF)



6030 N. 60th Street, Milwaukee, WI
Cutting Edge Technology – 64,110 SF
\$1,334,000 (\$23.00/SF)



Land Sales and New Development

- **Germantown Business Park**
- **New Sussex Business Park**
- **Grandview Business Park**



Redevelopment

- **Quebecor Plant, Elm Grove**
- **Wisconsin Steel Campus,
West Milwaukee**
- **Continued work on the
Delphi Plant, Oak Creek**
- **Spancrete, Waukesha**



Forecast 2012

- “Cautious Optimism”
- Lease rates to stabilize and concessions to reduce
- Sales transactions to continue to increase
- Speculative Development slowly returns
- “Light at the end of the tunnel”



Forecast 2012

- **Political Uncertainty**
- **State Level**
- **National level**
- **Time will tell**



Forecast 2012



“Forward Thinking Operation”



Forecast 2012

Thank you and good luck!

Contact Information:

Jim Larkin

Inland Companies

jlarkin@inlandcompanies.com

