



Current Market Trends

We have continued to see a low but stable volume of transactions consummating throughout the quarter. We expect this trend to continue throughout 2010 as most industrial firms take advantage of attractive leasing opportunities, have difficulties with financing a purchase, or simply cannot predict their long-term real estate requirements.

Consequently, we saw an increase in leasing activity over the 1st Quarter, driven by a stabilization in the overall economy, highly depressed lease rates, and attractive landlord incentives such as free rent and above average tenant improvement packages.

If you did not read our comprehensive year-end 2009 report, it is now available for download at <http://www.dickmanrealestate.com/market/>.

Breakdown by County

The Dickman report incorporates the eight county area of Southeastern Wisconsin. The following observations highlight some more specific trends within each county submarket:

Kenosha: The vacancy rate decreased from 11.6% to 9.1% during the 1st Quarter 2010.

Milwaukee: The vacancy rate for Milwaukee County continued to increase this quarter, recording an increase from 11.3% to 12.0%. Results would have been worse had it not been for the 200,000 Sq. Ft. of warehouse space that was leased at the ACE Industrial Park in Cudahy (listed by Dickman) resulting from various government contracts.

Ozaukee: There was no change in vacancy in Ozaukee County during the 1st Quarter 2010.

Sheboygan: There was no change in the vacancy rate for Sheboygan County during the 1st Quarter 2010.

Racine: The vacancy rate increased from 6.8% to 7.7% during the 1st Quarter 2010.

Walworth: The vacancy rate increased from 7.8% to 8.2% during the 1st Quarter 2010.

Washington: There was no change in the vacancy rate for Washington County during the 1st Quarter 2010.

Waukesha: The vacancy rate remained relatively stable with a modest increase from 6.2% to 6.3% during the 1st Quarter 2010.



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Southeastern Wisconsin 2010 Industrial Market Report - 1st Quarter



County/Submarket		Inventory (SF)	Total Vacant (SF)	Vacancy Q4 2009 (%)	Vacancy Q1 2010 (%)
Milwaukee	Downtown	12,512,048	1,660,625	12.8%	13.3%
	North Central	10,145,628	1,087,237	10.5%	10.7%
	North Shore	7,159,703	1,125,815	15.9%	15.7%
	Northwest	18,868,098	1,908,998	9.1%	10.1%
	South	23,961,110	3,103,740	11.6%	13.0%
	South Central	9,605,487	1,074,287	10.8%	11.2%
	West	13,288,981	1,465,596	11.0%	11.0%
Milwaukee Total		95,541,055	11,426,298	11.3%	12.0%
Waukesha	Northeast	21,124,427	1,552,490	7.3%	7.3%
	Northwest	17,932,094	1,155,200	6.6%	6.4%
	Southeast	15,014,079	962,215	6.4%	6.4%
	Southwest	15,049,812	700,073	4.1%	4.7%
Waukesha Total		69,120,412	4,369,978	6.2%	6.3%
Ozaukee		14,441,135	1,404,536	9.7%	9.7%
Racine		28,047,339	2,150,183	6.8%	7.7%
Sheboygan		12,259,290	426,766	3.5%	3.5%
Kenosha		20,170,122	2,057,206	11.6%	9.1%
Walworth		8,813,988	719,647	7.8%	8.2%
Washington		19,314,935	1,502,581	7.8%	7.8%
Grand Total		267,708,276	24,057,195	8.7%	9.0%

Source: Xceligent

Terminology

Inventory - The total square feet of all single and multi-tenant industrial properties above 10,000 square feet.

Vacant SF - Space that is available and not currently occupied.

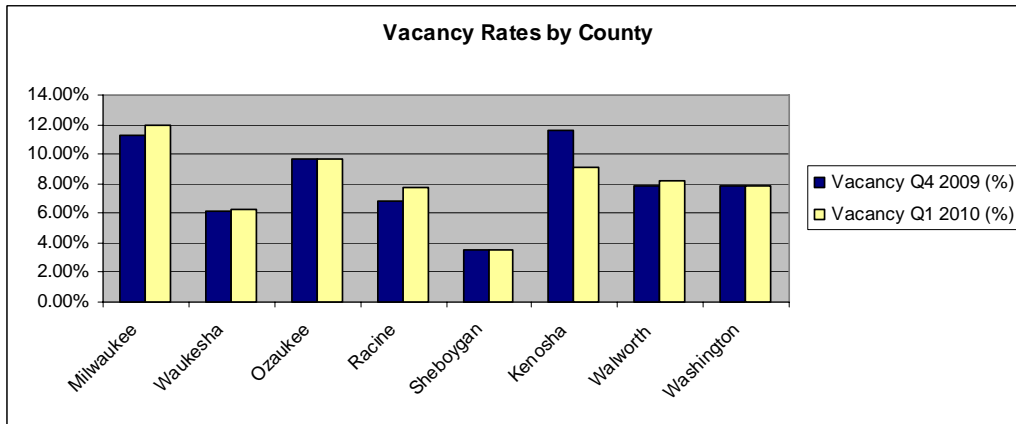
Vacancy Rate - Percentage of space in the market that is not currently occupied (Vacant square feet divided by inventory).



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The following vacancy chart by county compares the vacancy rate for each county at the end of the 4th Quarter 2009 versus 1st Quarter 2010. The general trend shows modest increases in the vacancy for each geographic region.

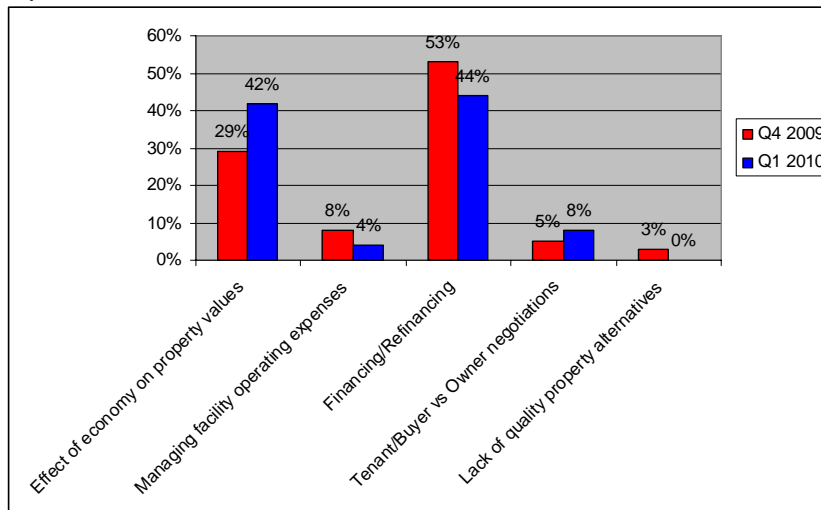


Source: Xceligent

THE DICKMAN COMPANY POLL – Take 2

What do you see as the biggest challenge in the commercial real estate market today?

Last September 2009, The Dickman Company, Inc. conducted a non-scientific poll about what people see as **the biggest challenges in the commercial real estate market today**, with 62 responses. In April 2010 (6 months later), we conducted the same poll with some fascinating changes in the results; with 47 responses. Please refer to the following chart for comparison:



The effect of the economy on property values and financing/refinancing were the two most popular selections both times, although becoming alternating areas of concern in just six short months. When examining the most recent results at a micro-level, owners and managers were most likely to be concerned about financing/refinancing while other positions within an organization (sales, human resources, etc.) were more concerned about property values. Ultimately, we feel these results are correlated and will likely remain an area of concern for our clients for the foreseeable future.

Note: The poll was anonymous and it is possible the same people did not participate in both polls, although there was likely some crossover. The poll was nonetheless a random sampling and we feel to be representative of market sentiment towards the polling topic.

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The Dickman Company, Inc. was founded in 1996 by a group of experienced brokers committed to providing unparalleled service in the commercial real estate market. The firm's President, Samuel D. Dickman, brings 45 years of real estate experience in the Milwaukee area. His vision of a company that is an aggressive advocate for clients is practiced daily at the firm.

The brokers' combined experience and exceptional understanding of the Milwaukee market enables the company to provide all clients with a comprehensive understanding of the real estate opportunities available to them.

The Dickman Company Way of Business:

The Dickman Company aggressively meets clients' needs by providing exceptional service. The commitment of each broker is evident in every phase of planning. Whether it is hand-delivering plans to your door or working late into the night, the Dickman Company will achieve your goals. Clients have the comfort of working with the brokers whose names are on the door - brokers with over fifty years of combined experience in the Milwaukee real estate market.

The goal at The Dickman Company, Inc. is to listen and to learn about both clients' current and future real estate needs. A plan is then developed to execute those goals efficiently and effectively. Through their real estate advocacy, the Dickman Company will keep your needs first and foremost throughout the real estate process.

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