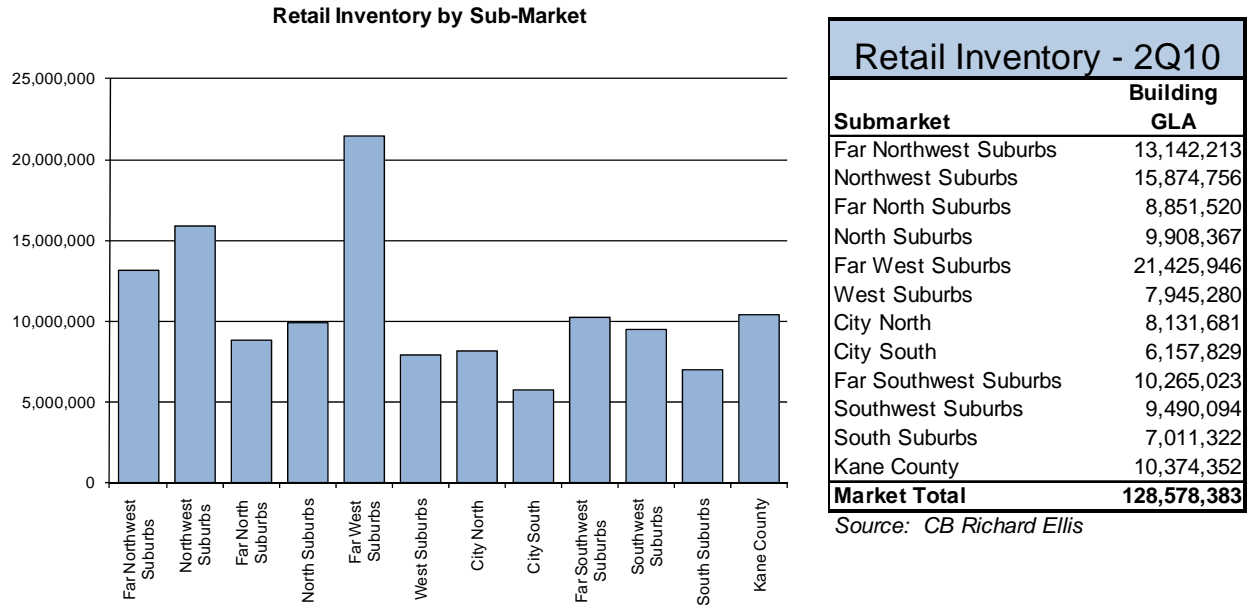


RETAIL MARKET ANALYSIS – CHICAGO

Market Composition & Distribution

According to CBRE, the Chicago retail market is distributed as follows:

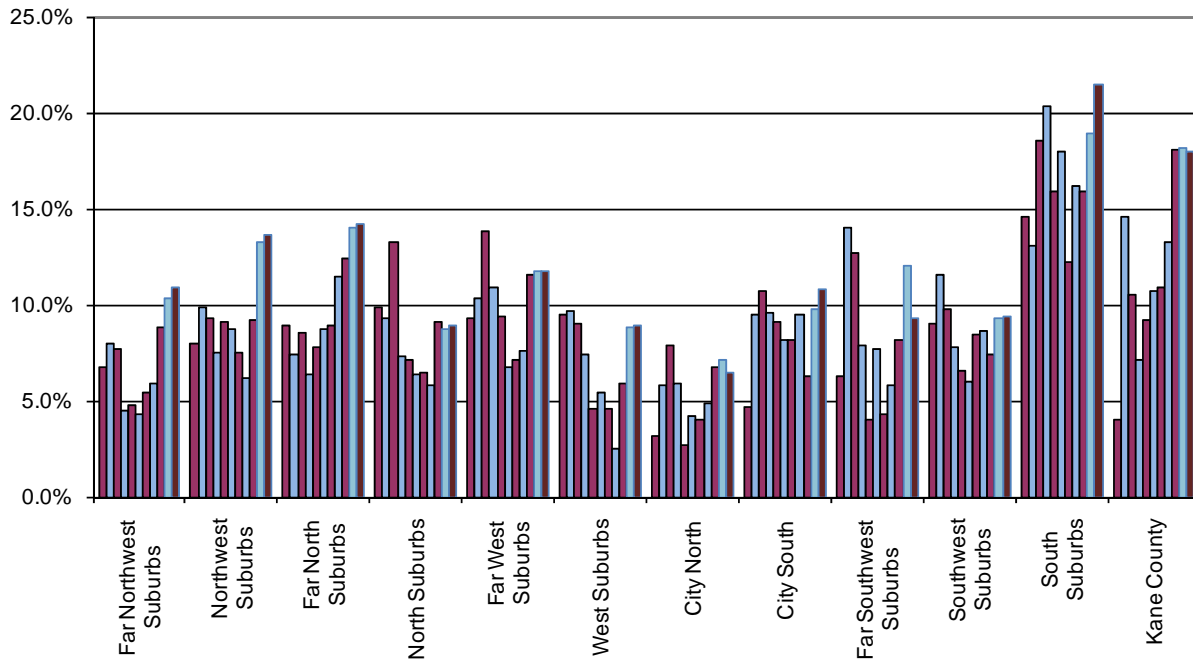


The CBRE survey data contains about 129 millions square feet of retail space. The largest submarket is the Far West Suburbs followed by the Northwest and Far Northwest Suburbs. The City North and City South submarkets are among the smaller data sets.

Vacancy

The chart below tracks vacancy by submarket over the period 2000 through 2nd Quarter 2010. Vacancy for the fourth quarter is presented for each year from 2000 to 2009.

Vacancy by Submarket - Chicago 2000-2010



Source: CB Richard Ellis

Vacancy has risen over the last few periods for most submarkets due to a combination of reduced demand for space and rising deliveries from new construction. The historical and current vacancy rates for each submarket are shown below.

Vacancy Trends By Sub-Market											
Submarket	4th Qtr 2000	4th Qtr 2001	4th Qtr 2002	4th Qtr 2003	4th Qtr 2004	4th Qtr 2005	4th Qtr 2006	4th Qtr 2007	4th Qtr 2008	4th Qtr 2009	2nd Qtr 2010
Far Northwest Suburbs	6.7%	8.0%	7.7%	4.5%	4.8%	4.3%	5.4%	5.9%	8.8%	10.3%	10.9%
Northwest Suburbs	8.0%	9.9%	9.3%	7.5%	9.1%	8.7%	7.5%	6.2%	9.2%	13.3%	13.6%
Far North Suburbs	8.9%	7.4%	8.5%	6.4%	7.8%	8.7%	8.9%	11.5%	12.4%	14.0%	14.2%
North Suburbs	9.9%	9.3%	13.3%	7.3%	7.1%	6.4%	6.5%	5.8%	9.1%	8.7%	8.9%
Far West Suburbs	9.3%	10.3%	13.8%	10.9%	9.4%	6.7%	7.1%	7.6%	11.6%	11.7%	11.7%
West Suburbs	9.5%	9.7%	9.0%	7.4%	4.6%	5.4%	4.6%	2.5%	5.9%	8.8%	8.9%
City North	3.2%	5.8%	7.9%	5.9%	2.7%	4.2%	4.0%	4.9%	6.7%	7.1%	6.5%
City South	4.7%	9.5%	10.7%	9.6%	9.1%	8.2%	8.2%	9.5%	6.3%	9.8%	10.8%
Far Southwest Suburbs	6.3%	14.0%	12.7%	7.9%	4.0%	7.7%	4.3%	5.8%	8.2%	12.0%	9.3%
Southwest Suburbs	9.0%	11.6%	9.8%	7.8%	6.6%	6.0%	8.4%	8.6%	7.4%	9.3%	9.4%
South Suburbs	14.6%	13.1%	18.5%	20.3%	15.9%	18.0%	12.2%	16.2%	15.9%	18.9%	21.5%
Kane County	4.0%	14.6%	10.5%	7.1%	9.2%	10.7%	10.9%	13.3%	18.1%	18.2%	18.0%
Market Total	8.2%	10.2%	11.1%	8.6%	7.6%	7.2%	7.2%	8.1%	10.2%	11.9%	11.9%

Source: CB Richard Ellis

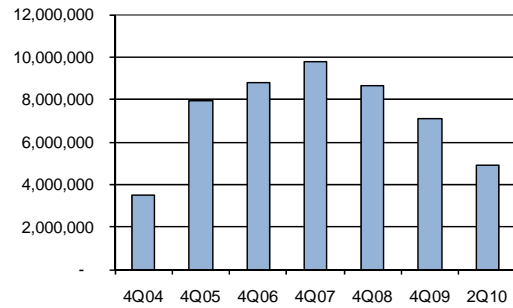
New Construction

New construction increased notably in 2005 as the economy expanded and employment increased resulting in higher consumer spending. Going forward, we expect this trend to reverse until economic conditions improve.

Under Construction - Chicago							
Submarket	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	2Q10
Far NW Suburbs	170,000	253,000	650,000	480,000	1,055,347	755,347	354,968
NW Suburbs	395,000	1,375,100	875,132	820,000	-	110,000	1,045,280
Far North Suburbs	550,000	160,000	260,000	453,000	180,000	-	-
North Suburbs	-	520,000	410,000	100,000	-	-	-
Far West Suburbs	250,000	650,000	986,282	166,963	120,000	120,000	120,000
West Suburbs	-	340,000	419,214	550,000	250,000	250,000	-
City North	385,000	971,000	1,016,000	604,470	1,205,000	955,000	190,000
City South	-	316,000	605,000	1,641,300	1,261,300	818,300	818,300
Far SW Suburbs	660,000	1,177,000	1,094,520	2,397,235	2,630,865	2,454,865	1,121,630
SW Suburbs	728,000	355,000	755,835	621,841	393,080	393,080	63,080
South Suburbs	-	415,100	242,402	65,000	815,000	815,000	815,000
Kane County	353,000	1,387,800	1,442,000	1,884,000	750,000	400,000	400,000
Market Total	3,491,000	7,920,000	8,756,385	9,783,809	8,660,592	7,071,592	4,928,258

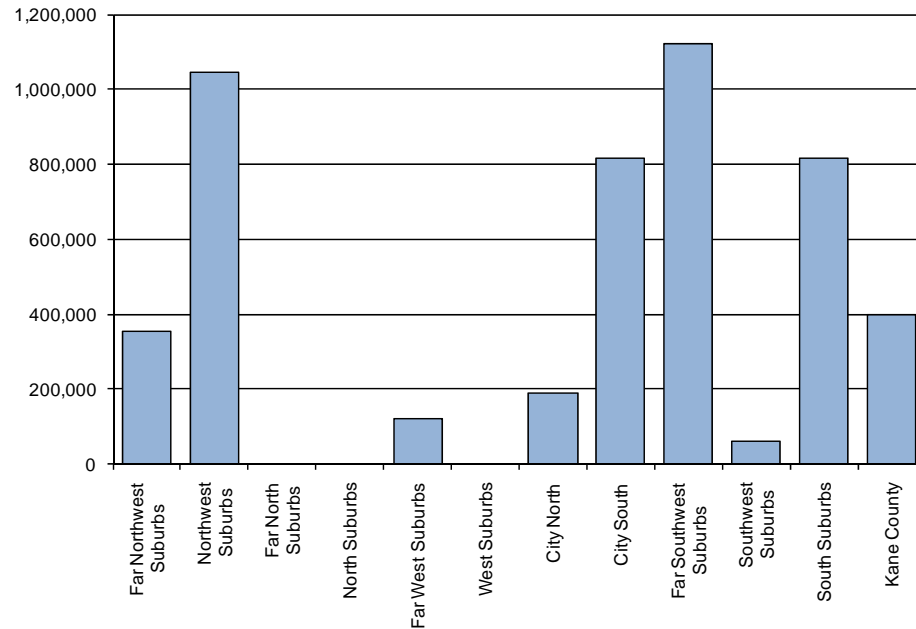
Source: CB Richard Ellis

Retail SF Under Construction - Chicago



The current level of construction in each submarket is included above and illustrated below. We believe the 2Q10 levels are overstated due to the number of projects that are current stalled and may not actually complete construction.

Under Construction by Sub-Market - as of 2Q10



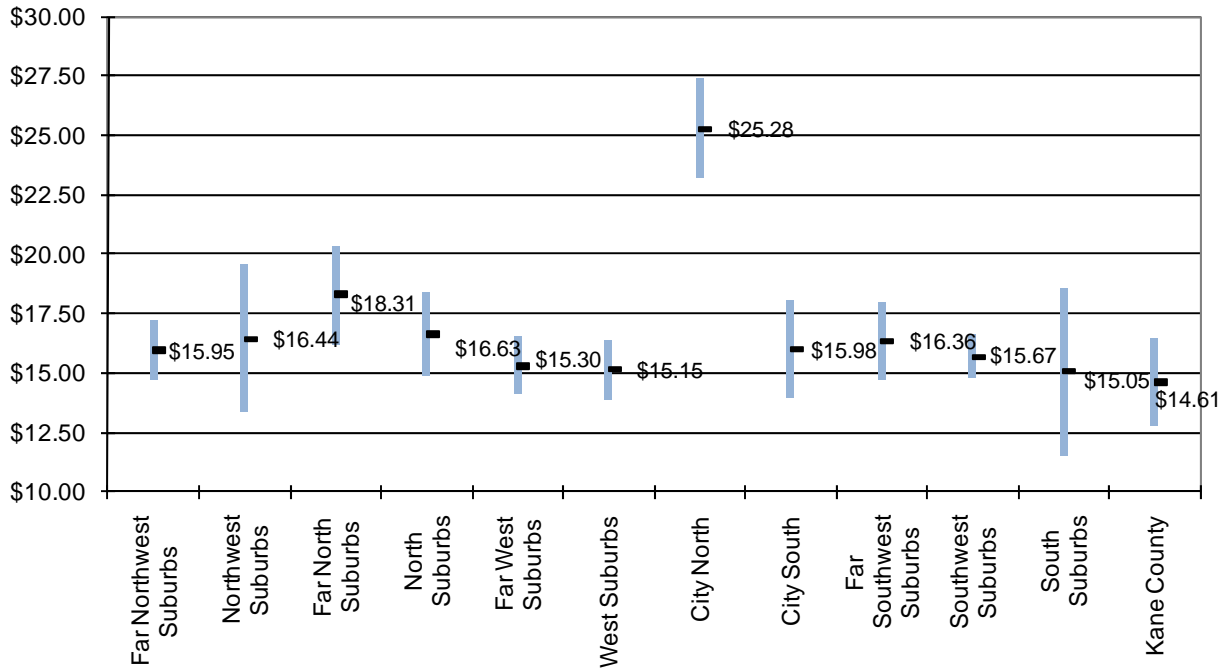
Source: CB Richard Ellis

More recently, the level of construction has declined due to the decline in consumer spending resulting from the weaker employment situation. With the lack of availability of financing for new projects, the amount of space under construction is expected to continue to decline in the near term.

Rental Rates

Rent levels by submarket, including the low, high and midpoint, are illustrated below:

**Gross Rent Ranges by Submarket
2Q10 - Chicago**



Source: CB Richard Ellis

The vertical bars represent the range of gross rents in each submarket with the horizontal hash mark (and the corresponding value displayed) being the midpoint of the range. Weaker consumer spending leading to lower demand for retail space will ultimately result in lower rents. Expectations are for increased concessions in the form of free rent and increased tenant improvement allowances.

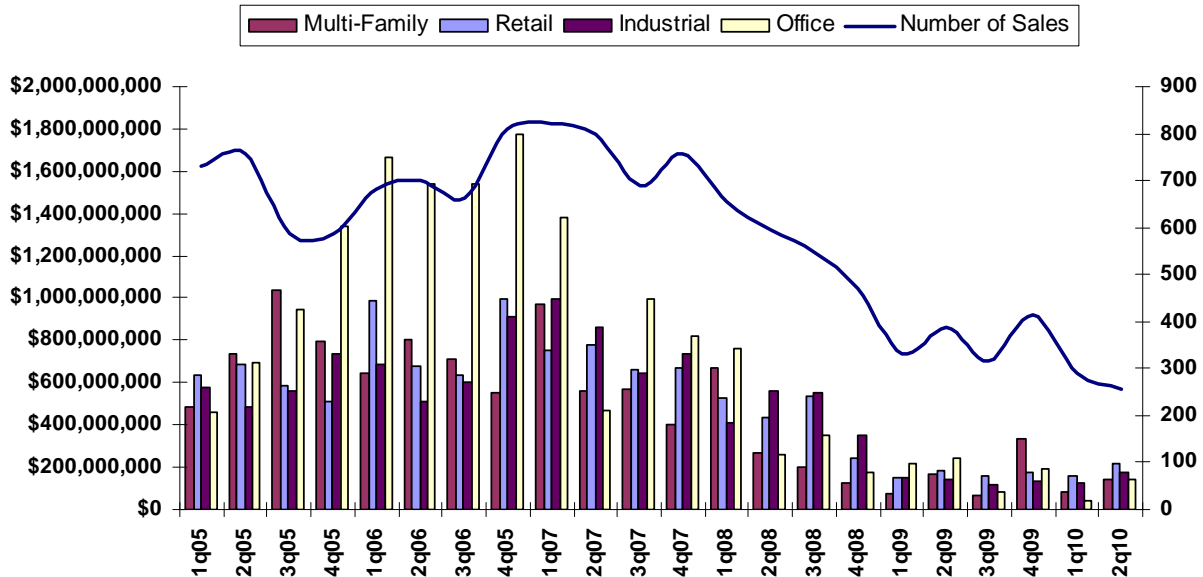
Transaction Market

A substantial run up in transaction volume across all property types occurred from 2004 through 2006 due in large part to very favorable loan terms (high leverage/low rates) and the expectation of increases in net income due to expected growth in demand. Weaknesses in the overall economy became apparent in early to mid 2007. The housing market was cooling in part due to the subprime mortgage market and a general over building in many markets. The collapse of numerous financial services firms led to a virtual shut down of the markets as noted below:

Bear Sterns acquired by JP Morgan Chase	March 2008
IndyMac taken over by FDIC	July 2008
Lehman Brothers filed for Bankruptcy	September 2008
Merrill Lynch acquired by Bank of America	September 2008
AIG Bailout by US Treasury	September 2008
Washington Mutual, Inc seized by OTS	September 2008
Fannie Mae acquired by US Treasury	September 2008
Freddie Mac acquired by US Treasury	September 2008
Wachovia acquired by Wells Fargo	October 2008

The ability to obtain financing for real estate was diminishing as banks began to stockpile cash for reserves. As financing became more costly with lower loan to values and higher debt coverage ratio requirements, equity investors were requiring higher rates of return resulting in a double hit to returns.

Transaction Volume - Chicago MSA



Source: Costar Property

Few transactions have occurred since late 2008 for two primary reasons. First, there remains a significant buy/sell price gap for most property types that has not yet been bridged. Sellers remain focused on pricing attained at the peak of the last cycle and buyers are unable to make the numbers work with lower loan to values and higher equity return requirements for their investors. Many

sellers have debt that exceeds current market value. Second, while many buyers believe the market is at or near the bottom, they cannot obtain financing at leverage levels that make the deals work.

With the volume of refinancing activity coming due over the next few years, there is a belief by many that the current financial system simply cannot deliver enough credit to keep the market functioning. Many properties are underwater with debt exceeding the value of the asset requiring substantial equity infusion to stay afloat. Should the government not come up with a workable solution, many market participants believe a wave of foreclosures will result, flooding the market with distressed assets. For the most part, the only sellers in the market today are those that are under pressure to sell.

Overall we do not expect to see transaction volume increase over at least the next six months as there does not appear to be a solution at this point to the lack of liquidity in the market.