Online Survey Option - all building data can be entered online at: https://www.iisecure.com/naiop_survey.asp

For Large Portfolios - Portfolios of 50+ buildings can be submitted electronically. Call Shawn Six at 614-802-2310, ext. 103 for further details.

If you have any questions while completing the questionnaire, contact data analysis consultant, Shawn Six, Industry Insights at 614-802-2310 or Elizabeth Sherrod, NAIOP at 703-904-7100.

NAIOP 2007-2008 Industrial Income and Expense Survey

The Industrial Income and Expense Report was created to assist in individual property analysis and to respond to the increasing levels of scrutiny from lenders, development partners, owners, buyers and tenants. The report generated from the data collected provides national, regional and local benchmarks for industrial operations and expenses. Thank you for taking the time to complete the questionnaire.

Instructions for Completing the Questionnaire

Your responses will be kept in strict confidentiality. We use aggregate statistical summaries when reporting the survey results; no individual company or building information will be disclosed.

Report information for each building separately. When providing property and cost data for more than one building, please copy the blank questionnaire and fill out one for each building.

Use the Glossary of Terms and Definitions. To help guide your responses we have prepared a glossary of terms and definitions, found on the back page of this questionnaire. The glossary assures that all the respondents use the same definitions when reporting income and expense data.

Instructions for Returning the Questionnaire

Questionnaires should be returned by April 10, 2007. Questionnaires can also be faxed to 614-802-2309 (Attn: Shawn Six), or mailed to Shawn Six, Industry Insights, 355 E. Campus View Blvd., Suite 180, Columbus, OH 43235.

New: Complimentary Expense Analysis Only for Respondents

As a survey participant who submits 10 or more properties, you will receive password access to a new, secure on-line site of searchable results where you can compile income and expense figures using the criteria you select. This menu driven on-line product is designed for those needing more specific information or multiple cross-tabulation of the data.

To Purchase the Report

☐ YES! I want to order copies of the 2007-2008 Industrial Income and Expense Report at the member rate indicated below:
   ______ copies at $99 (CD version) or ______ copies at $79 (PDF version)

NAIOP will bill me and send the report when it is available. Please send the report to the following:

Name: ______________________________________________________________
Company: ___________________________________________________________
Street Address: _______________________________________________________
City: ___________________ State: ___________ Zip: ______________
Phone:___________________ Fax: ________________________________
E-mail:_______________________________________________________________
Organizational Data

1. The following company data is requested. Organizational data will only be used in the event there is a need to clarify any questions concerning the information submitted on this questionnaire.

☐ If you have filled out the purchase order form on page 1 and the information is the same, please check here. There is no need to repeat the information.

Company Name........................ _______________________________________________________________________
Contact Name........................... _______________________________________________________________________
Telephone Number ................... _______________________________________________________________________
E-mail Address ......................... _______________________________________________________________________

Building Data

2. Please provide the zip code for each building. All data will be kept confidential.

Zip code       _____     _____     _____     _____     _____

3. What is the building’s total rentable area in square feet? 2 ________________ sf (round to nearest thousand)

4. What type of building is this? Definitions of the different building types appear at the end of this questionnaire. CHECK ONLY ONE
   □ Light/Heavy Manufacturing
   □ General Purpose Flex
   □ Service Center/Showroom
   □ General Purpose Distribution
   □ Truck Terminal
   □ General Purpose Warehouse
   □ Other ________________

5. What is the current tenancy type for this building? CHECK ONLY ONE
   □ Single Tenant
   □ Multi-Tenant

6. What year was the building constructed? _____________________

7. What was the annual occupancy in 2006 for this building? 6 _____% average 7 _____% year-end
Operating Data

Please provide the operating data for fiscal year 2006 not including mortgage interest, depreciation, amortization or debt. Our survey focuses on yearly operating expenses per square foot only.

See the Glossary of Terms and Definitions if you have any questions.

### Income
Report all income for fiscal year 2006 in **dollars per square foot**.

<table>
<thead>
<tr>
<th>Building Total per Square Foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Rental Income Per SF (collected rent)</td>
</tr>
</tbody>
</table>

### Expense Reimbursements:

<table>
<thead>
<tr>
<th>Building Total per Square Foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pass through expenses</td>
</tr>
<tr>
<td>Operating cost escalations</td>
</tr>
<tr>
<td>Base rent escalations</td>
</tr>
<tr>
<td>Lease cancellations</td>
</tr>
</tbody>
</table>
Expenses
Report all expense information for fiscal year 2006 in dollars per square foot. If building expense is paid directly by the tenant, check Paid by Tenant.

<table>
<thead>
<tr>
<th>Common Area Maintenance (include building repairs and maintenance)</th>
<th>Building Total per Square Foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll</td>
<td>______________________</td>
</tr>
<tr>
<td>HVAC</td>
<td>______________________</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>______________________</td>
</tr>
<tr>
<td>Electrical</td>
<td>______________________</td>
</tr>
<tr>
<td>Structural/Roofing</td>
<td>______________________</td>
</tr>
<tr>
<td>Plumbing</td>
<td>______________________</td>
</tr>
<tr>
<td>Fire/Life Safety</td>
<td>______________________</td>
</tr>
<tr>
<td>General Building Interior</td>
<td>______________________</td>
</tr>
<tr>
<td>General Building Exterior</td>
<td>______________________</td>
</tr>
<tr>
<td>Parking Lot</td>
<td>______________________</td>
</tr>
<tr>
<td>Landscaping</td>
<td>______________________</td>
</tr>
<tr>
<td>Trash/Snow Removal</td>
<td>______________________</td>
</tr>
<tr>
<td>Recycling</td>
<td>______________________</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>______________________</td>
</tr>
<tr>
<td>Property Management Fees</td>
<td>$_________ n%</td>
</tr>
<tr>
<td>Real Estate Taxes (2006)</td>
<td>______________________</td>
</tr>
<tr>
<td>Property Insurance</td>
<td>______________________</td>
</tr>
<tr>
<td>Other Operating Expenses (Reserves for structural items, etc. Do NOT include Depreciation and Amortization)</td>
<td>______________________</td>
</tr>
</tbody>
</table>

Explain: __________________________________________________________
Glossary of Terms and Definitions
Please refer to this glossary of terms and definitions when completing each questionnaire. This will assure that all respondents use the same definitions when reporting property, income and expense data.

Property Data
Building Type

Light/Heavy Manufacturing - A facility used for the conversion, fabrication and/or assembly of raw or partly wrought materials into products/goods. Typical characteristics are 10+ foot clear height, loading docks, less than 20 percent office.

General Purpose Warehouse – A facility primarily used for the storage and/or distribution of materials, goods and merchandise. Typical characteristics are size of 50,000+ square feet, 16+ foot clear height, loading docks, 1:5k-15K door-to-square-foot ratio, less than 15 percent office, minimum divisibility (smallest suite) 15,000+ square feet. Subsets include bulk warehouse, cold/refrigerator storage, freezer storage, high-cube, self storage, bonded.

General Purpose Distribution – A type of warehouse facility designed to accommodate efficient movement of goods. Typical characteristics are size of 50,000+ square feet, 16,000+ foot clear height, loading docks, 1:3k-10k door-to-square-foot ratio, less than 20 percent office, minimum divisibility (smallest suite) 50,000+ square feet. Subsets include overnight delivery services, air cargo.

Truck Terminal – A specialized distribution building for redistributing goods from one truck to another as an intermediate transfer point. These facilities are primarily used for staging loads (rather than long-term storage) and possess very little if any storage area. Typical characteristics are size of 20,000+ square feet, 12-16 foot clear height, cross docks, 1:500-5k door-to-square-foot ratio, less than 10 percent office, minimum divisibility (smallest suite) 10,000+ square feet. Primary use is truck trans-shipment.

General Purpose Flex – An industrial building designed to allow its occupants flexibility of alternative uses of the space, usually in an industrial park setting. Typical characteristics are size of 20,000+ square feet, 10-18 foot clear height, loading docks, 1:5k-15k+ door-to-square-foot ratio, 25-100 percent office, minimum divisibility (smallest suite) 10,000+ square feet, high curb appeal, high automobile parking ratio. Primary use is R&D, Storage, Office, Lab, Retail, Light Manufacturing. Subsets include Garden Office, Incubator, Tech.

Service Center/Showroom – A type of flex facility characterized by a substantial showroom area, usually fronting a freeway or major road. Typical characteristics are size of 150,000 square feet, 15-25 foot clear height, loading docks, 1:10k door-to-square-foot ratio, 30-40 percent office, minimum divisibility (smallest suite) 2,000+ square feet, high curb appeal, high automobile parking ratio. Primary use is Showroom, Storage, Light Manufacturing. Subsets include Shallow-Bay.

Clear Height – Distance from the floor to the lowest hanging ceiling member or hanging objects, beams, joists or truss work descending down into a substantial portion of the industrial work area. This is the most important measure of the interior height of an industrial building because it defines the minimum height of usable space within the structure. (Synonyms: Clear Headway, Clearance)

Door-to-Square-Foot Ratio – The ratio of the total number of loading docks and drive-in doors to building square feet.

Office Percentage – The percentage of an industrial property that is built out for office use. When mezzanine office is built above space that would otherwise be an industrial work area, this additional square footage is not counted in the total square footage of the building.

Mezzanine Office – An office build-out on an intermediate floor that is smaller than the main floor. When mezzanine office is built above space that would otherwise be an industrial work area, this additional square footage is not counted in the total square footage of the building.

Operating Data
Income

Net Rental Income – The amount of rent payable by the tenant exclusive of common area maintenance and real estate tax charges. Do not use industrial gross.

Expenses
Real Estate Taxes – Report only 2006 total real estate taxes paid. Do not include personal property or payroll taxes.

Property Insurance – Report only property hazard and liability insurance.

Other – Report cost of all expenses not included in the categories above. These should be operating expenses only. No capital expenditures should be reported in this category.