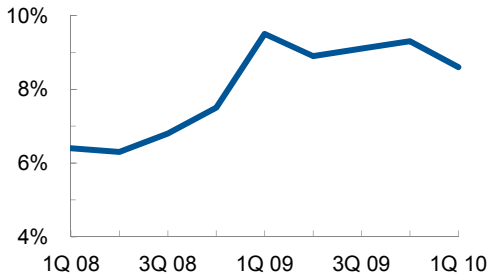


Vacancy Rate

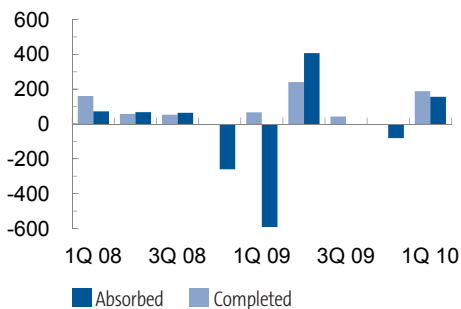


Beginning to Warm Up

The market appears to have reached the bottom. Landlord and tenant expectations are now more closely aligned and deals are beginning to get done. Landlords are now much more motivated to price spaces to meet tenant expectations. Heavily discounted warehouse and distribution spaces are experiencing an uptick of activity and deals are finally getting done. Tenant appetite for risk, however, is still very low. The general trend is to take advantage of low rates for shorter lease periods rather than securing over the long term.

Completions vs. Absorption

(in Thousands of SF)

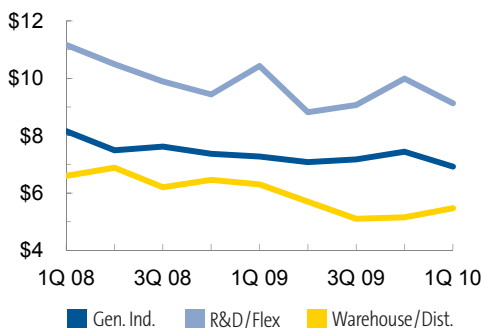


A majority of the space absorbed came from a 176,000 square-foot expansion of the General Mills Cereal manufacturing facility in the North I-25 submarket. Without this project, total space absorbed would have been a negative 20,000 square feet. One of the major drivers of new activity occurred in the clean energy/solar sector. Combined, this segment contributed over 140,000 square feet of positive moves in four different locations. About one-half of this occurred in warehouse and distribution spaces. Growth in this sector is expected to drive additional activity among suppliers and vendors.

The drag on the market is still a lack of new construction projects. New single-family homes and commercial buildings remain at all time lows. Any new starts are not expected to occur throughout the balance of the year. One of the biggest projects for 2011 will be a one-million square-foot corporate headquarters and manufacturing facility in Rio Rancho for Green2V Corporation, a renewable energy company.

Asking Rental Rates

(\$/SF/Yr. Triple Net)



FORECAST

- Landlords remain aggressive on pricing.
- Speculative construction stays dormant.

KEY TRANSACTIONS

Lessee/Buyer	Lessor/Seller	Property	Size (SF)/Price
Array Technologies	Private Investor	3901 Midway NE	49,097
Sacred Solar	Private Investor	1501 5th Street NW	46,817
Visible Light Solar	Private Investor	5300 Eagle Rock NE	32,000
Affordable Solar	Private Investor	7500 Meridian NW *	12,440
Atela	Private Investor	7500 Meridian NW *	15,440

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

Industrial Trends Report—First Quarter 2010

Albuquerque, NM



By Submarket	Total SF	Vacant SF	Vacancy %	NET ABSORPTION		Under Construction SF	ASKING RENT	
				Current	Year To Date		WH/Dist	R&D/Flex
Airport	873,746	105,575	12.1%	2,430	2,430	-	-	-
Downtown	3,333,633	517,868	15.5%	32,817	32,817	-	\$3.88	-
Far Northeast Heights	215,664	-	-	2,000	2,000	-	-	-
Mesa Del Sol	639,334	-	-	-	-	-	-	-
North I-25	15,872,239	1,223,979	7.7%	143,072	143,072	93,686	\$6.35	\$9.29
North Valley	1,577,368	120,105	7.6%	14,722	14,722	-	\$4.56	\$6.12
Northeast Heights	359,059	60,711	16.9%	-	-	-	\$5.55	\$3.45
Rio Rancho	6,072,679	102,440	1.7%	(7,448)	(7,448)	-	\$4.50	\$10.16
South Valley	2,574,876	345,032	13.4%	(71,672)	(71,672)	-	\$4.57	-
Southeast Heights	1,501,738	250,364	16.7%	20,786	20,786	-	\$5.74	\$9.20
University	193,960	5,600	2.9%	-	-	-	\$3.00	-
West Mesa	3,831,913	471,775	12.3%	19,397	19,397	-	\$6.69	-
Totals	37,046,209	3,203,449	8.6%	156,104	156,104	93,686	\$5.47	\$9.13

By Property Type	Total SF	Vacant SF	Vacancy %	Current	Year To Date	Under Construction SF	ASKING RENT	
							WH/Dist	R&D/Flex
General Industrial	18,299,220	1,198,405	6.5%	178,741	178,741	93,686	\$6.92	-
Incubator	12,000	-	-	-	-	-	-	-
R&D/Flex	4,105,103	547,374	13.3%	2,146	2,146	-	\$9.13	-
Warehouse/Distribution	14,629,886	1,457,670	10.0%	(24,783)	(24,783)	-	\$5.47	-
Totals	37,046,209	3,203,449	8.6%	156,104	156,104	93,686	\$6.61	

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INDUSTRIAL TERMS AND DEFINITIONS

Total SF: Industrial inventory includes all multi-tenant, single tenant and owner occupied buildings at least 10,000 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.*