

FOR SALE



United Technologies

Distribution Center • Portland, Tennessee

INVESTMENT OPPORTUNITY



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 **TRIKE**
PROPERTY
MANAGEMENT
Real Estate Investment
& Management Service

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THE OFFERING

Trike Property Management, LLC is pleased to offer the sale-leaseback opportunity to acquire the United Technologies Distribution Center, a 300,000 square foot, Class A industrial facility situated on 29.30 acres in Portland, Tennessee. United Technologies Company (“United Technologies” or the “Company”), seeks to enter into a five-year sale and leaseback arrangement with respect to the property located at 101 Veterans Drive in Portland, Sumner County, Tennessee (the “Property”). General Electric is a publicly traded company (NYSE: UTC) with reported sales in 2005 in excess of \$149 billion.

INVESTMENT HIGHLIGHTS

- **Institutional Quality Asset** - The Class A distribution facility was constructed in 2001 and has been managed and maintained to institutional standards. The Property totals 300,000 square feet of space which consists of 293,000 square feet (97.7%) of warehouse area and 7,000 square feet (2.3%) of office area and offers space flexibility to be easily divided and expanded for multi-tenant use.

- **Strong Credit Tenancy** - The Property is 100% owner-occupied by United Technologies with a lease guaranteed by the long-term commitment of a publicly traded company traded on the New York Stock Exchange under the ticker symbol “UTC”. As of 2010, the company had approximately 206,700 employees with annual sales of \$53,000,000,000.00. United Technologies is a senior unsecured AAA commercial paper A+ credit tenant with a stable outlook by Standard & Poor’s.

- **Potential Expansion Opportunity** - Currently situated on 29.30 acres the site offers the potential capability to expand the facility an additional 250,000 square feet. The asset is zoned HCD, Heavy Commercial District and will support future office and/or warehouse commercial uses.

UNITED TECHNOLOGIES DISTRIBUTION CENTER

PROPERTY SUMMARY

Address:	101 Vetarans Drive, Portand, TN 37148
Size:	300,000 SF
No. of Bldgs:	One (1)
Year Built:	2001
% Office:	2.3%
% Occupied:	100%
Clear Height:	26' - 35'
Tenant:	United Technologies

FINANCIAL SNAPSHOT

Sale Price:	\$13,999,900.00 (\$46.23 PSF)
Cap Rate:	7.62%
Year 3 NOI:	\$1,066,122.88
Lease Structure:	Triple Net (NNN) Lease
Rent Increase:	Increase 2.5% annually on a compounded basis
Renewal Option:	Two (2), Five (5) Year options
Assumable Debt:	There is attractive fixed rate financing at a rate of 5.702% in place with 6.5 yrs remaining on \$10,150,000.00. The debt must be assumed for a 1% fee which the seller has agreed to split with a qualified buyer.

PROPERTY AERIAL



UNITED TECHNOLOGIES DISTRIBUTION CENTER



Property Type:	Class A Distribution Center
Address:	101 Veterans Drive Portland, Tennessee 37148
Zoning:	HCD, Heavy Commercial District
Building Size:	Warehouse 273,000 SF (97.7%) Office 7,000 SF (2.3%) Total 300,000 SF
Acreage:	29.30 Acres
Year Built:	2001
% Office:	2.3%
% Occupied:	100%

Building Dimensions:	Approximately 486' x 600'
Column Spacing:	40' x 60'
Clear Height:	26' - 35'
Fire Protection:	ESFR sprinkler system backed by a pump house and with electrical and diesel power and a ±200,000 gallon on-site reservoir.
Security:	Includes 24-hour surveillance, partial fencing with electronically controlled gates at the entrance driveways, and automated entry door controls with card readers.
Parking:	Ample Parking with ±150 spaces for automobiles and ±40 spaces for trailer parking

OFFICE CONSTRUCTION

Foundation: Continuous slab reinforced with a grid of steel rebar. The slab is situated on a series of reinforced concrete foot-ings.

Exterior Walls: Steel I-beam frame covered with tilt-up concrete panels. Office entrances and windows are plate glass set in anodized aluminum frames.

Roof Cover: The building contains a flat built-up roof system.

Floor Coverings: Office and common area floors consist of commercial grade short loop carpeting and vinyl tile over concrete.

Interior Walls: Metal framework with textured and painted sheetrock wall coverings.

Ceilings: The ceiling is comprised of a suspended grid acoustical tile.

Lighting: Office area lighting is provided by suspended fluorescent tube fixtures.

Electrical: 2,000 amp main panel at 277/480 volt.

Plumbing: Cast iron sanitary sewer system with copper domestic water mains and distribution lines.

Restrooms: The office area includes building-standard finish rest-room facilities.

WAREHOUSE CONSTRUCTION

Foundation: Continuous slab reinforced with a grid of steel rebar. The slab is situated on a series of reinforced concrete foot-ings.

Exterior Walls: Steel I-beam frame covered with tilt-up concrete panels.

Roof Cover: The building contains a flat, built-up roof system.

Floor Coverings: Warehouse floor areas exhibit an unpainted smooth concrete finish, while assembly and manufacturing areas have a textured and painted concrete finish.

Lighting: Lighting in the warehouse area is being converted to 400-watt metal halide ceiling mounted fixtures.

Ventilation: Wall mounted exhaust fans on the west side of the building and electronically controlled wall mounted intake louvers on the east side.

Electrical: 2,000 amp main panel at 277/480 volt.

Plumbing: Cast iron sanitary sewer system with copper domestic water mains and distribution lines.

Restrooms: The warehouse area includes eight building-standard finish restroom facilities, four (4) each designated for men's and women's uses.

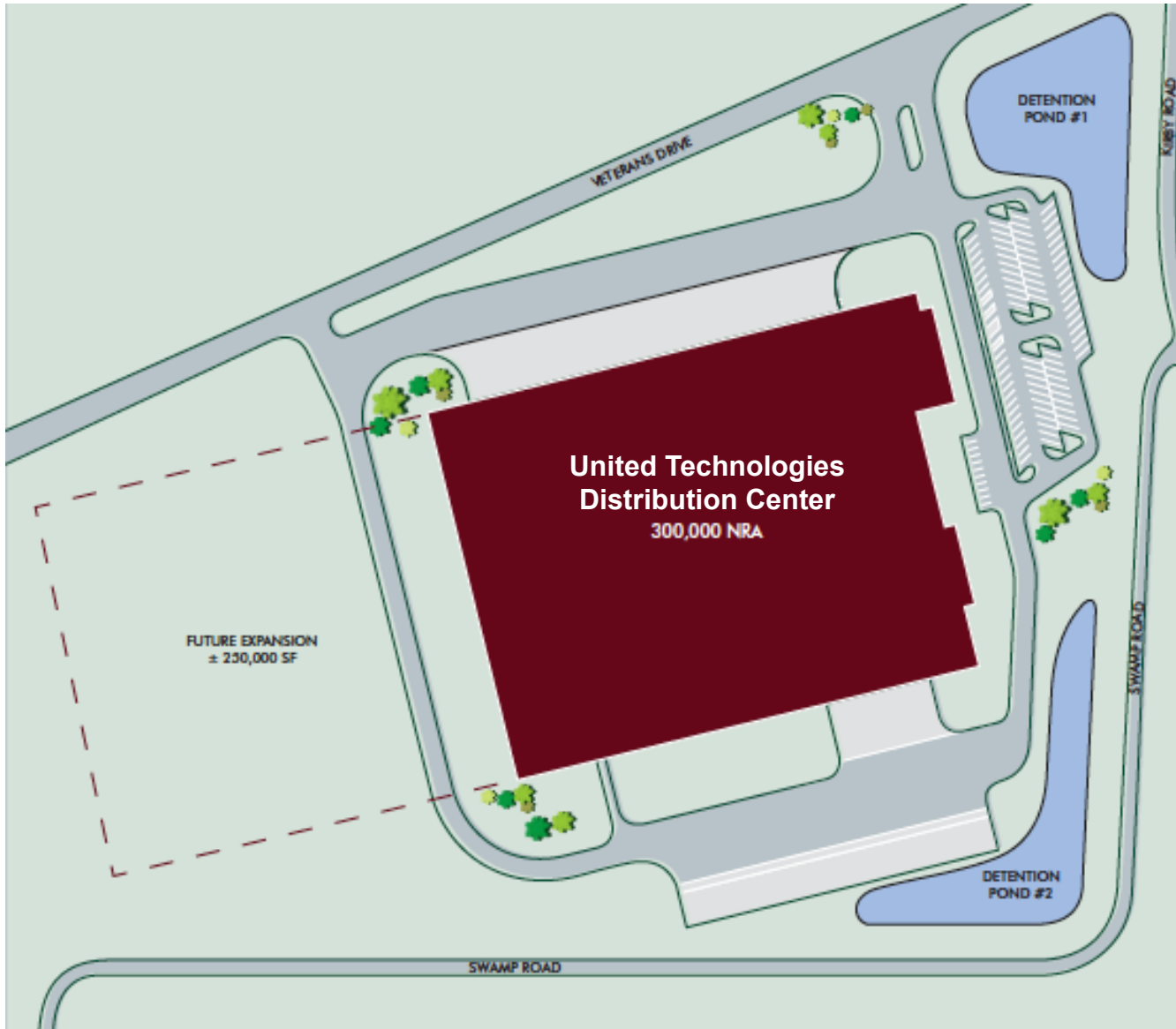
Loading: The warehouse has 45 dock-high (9'x10') loading entrances located along the sides of the facility (35 doors on one side and 10 on the other). Each is served by its own overhead door and has pit levelers, dock seals, dock locks, lights, and an approximately 4' canopy overhead. The warehouse area features two grade doors: one 10'x10' and one 12'x 20' door.

Overhead Doors: The warehouse has chain operated steel overhead doors measuring 9'x10'.

PROPERTY AERIAL



UNITED TECHNOLOGIES DISTRIBUTION CENTER

SITE PLAN

BUSINESS SUMMARY

United Technologies Corporation provides technology products and services to the building systems and aerospace industries worldwide. The company's Otis segment designs, manufactures, sells, and installs passenger and freight elevators, escalators, and moving walkways. United's Carrier segment provides HVAC and refrigeration solutions, including controls for residential, commercial, industrial, and transportation applications. The company's UTC Fire & Security segment offers electronic security products, such as intruder alarms, access control systems, and video surveillance systems; and fire safety products, including specialty hazard detection and fixed suppression products, portable fire extinguishers, and other firefighting equipment. It also offers systems integration, installation, maintenance, and inspection services; and monitoring, response, and security personnel services, such as cash-in-transit security. United's Pratt & Whitney segment supplies aircraft engines for the commercial, military, business jet, and general aviation markets. It also manufactures aerospace propulsion systems for the U.S. space shuttle program. The company's Hamilton Sundstrand segment supplies aerospace products, such as power generation, management and distribution systems, flight systems, engine control systems, environmental control systems, fire protection and detection systems, auxiliary power units, and propeller systems; and industrial products, including air compressors, metering pumps, and fluid handling equipment. United's Sikorsky segment manufactures military and commercial helicopters, and aftermarket helicopter and aircraft parts and services. The company also offers installation, retrofit, and aftermarket services, such as spare parts, overhaul and repair, engineering and technical support, and fleet maintenance programs. United was founded in 1934 and is based in Hartford, Connecticut

Tenant:	United Technologies Corporation		
Lease Term:	Five (5) Years / 2 remaining		
Commencement Date:	June 1, 2007		
Renewal Options:	Two (2), Five (5) Year Options		
Renewal Notice:	180 days		
Purchase Option:	None		
Termination Option:	None		
Lease Structure:	Triple Net (NNN) Lease		
Landlord Responsibilities:	Landlord shall be responsible for maintenance and repair of all utility lines. Landlord shall also be responsible for exterior and structural portions of the premises including: roof, foundation, exterior load bearing walls, mechanical and electrical services, parking lots, driveways, sidewalks and walkways. The landlord shall carry its own general liability and work-man's compensation insurance.		
Tenant Responsibilities:	Tenant shall maintain the premises in good and operable condition. Tenant shall pay directly all utilities, real estate taxes and insurance.		
Annual Escalations:	Rent increases 2.5% annually on a compounded basis		
Current Rent:	<u>Annual</u>	<u>Monthly</u>	<u>Per Sq. Ft.</u>
	\$1,066,122.88	\$88,843.49	\$3.55
Renewal Rent:	90% of FMV Rent		

* Purchase includes additional developable land for potential 250,000 SF expansion

NASHVILLE MARKET OVERVIEW

Nashville is the capital of Tennessee and a vital business, transportation and tourism center. The area's location has made Nashville a center of transportation and distribution in the United States. With convenient access to three (3) major interstate systems, Nashville is located within 650 miles of over 50 percent of the United States' population. Further serving the area are two inner loop connections, Interstate 440 and Briley Parkway, and an outer beltway, State Route 840. The Nashville Economic Market is comprised of 10 counties consisting of over 1.5 million in population, growing 21% over the past decade. The Nashville area has seen tremendous population growth ranking 14th in the United States with the highest state population growth from 1990 to 2004. Overall, Nashville's healthy fundamentals, broad diversification and above-average population growth bode well for the metro's future success.

The following table shows the population of Nashville by county:

NASHVILLE POPULATION BY COUNTY

County	2000	2004	% Change
Cheatham	35,912	38,493	+7.2
Davidson	569,891	595,805	+4.5
Dickson	43,156	45,829	+6.2
Maury	69,498	74,845	+7.7
Montgomery	134,768	146,353	+8.6
Robertson	54,433	58,747	+7.9
Rutherford	182,023	203,488	+11.8
Sumner	130,449	139,119	+6.6
Williamson	126,638	142,531	+12.5
Wilson	88,809	96,449	+8.6
Nashville MSA	1,435,577	1,541,659	+7.4
Tennessee	5,689,283	5,903,569	+3.8

FORTUNE 500 AND 1000 NASHVILLE AREA COMPANIES

Company Name (Stock Symbol)	Rank	Revenues (millions)
Caremark Rx (CMX)	60	\$32,991.3
HCA (HCA)	84	\$24,455.0
Dollar General (DG)	268	\$8,582.2
Community Health Systems (CYH)	515	\$3,788.8
Louisiana-Pacific (LPX)	642	\$2,741.9
CBRL Group (CBRL)	676	\$2,567.5
Vanguard Health Systems	747	\$2,268.9
Tractor Supply Co. (TSCO)	788	\$2,068.0
Life Point Hospitals (LPNT)	834	\$1,903.2
Renal Care Group (RCI)	939	\$1,570.2
iasis Healthcare	958	\$1,523.7



NASHVILLE RANKINGS

- Nashville-Davidson MSA ranks among America's smartest cities based on the highest concentration of college degrees in the "Brainiest Cities in the United States" list.
– *CNNMoney.com, August 2006*
- Six Nashville-area firms were recognized in "The 2006 Inc. 500 List" among the annual ranking of fastest-growing privately held companies in America.
– *Inc. Magazine, August 2006*
- Nashville ranked No. 1 in the "Top 50 Smart Places to Live"
– *Kiplinger's, May 2006.*
- Nashville is cited among the top 10 cities in America as the "Best Places for Business and Careers."
– *Forbes, May 2006*
- Nashville is listed as a five-star knowledge worker city due to its well-educated workforce that attracts high-tech companies and entrepreneurs in the "2006 Knowledge Workers Quotient."
– *Expansion Management, April 2006*
- Nashville ranked among "The South's Ten Top Head-quarters Markets."
– *Southern Business & Development, April 2006*
- Three Nashville-area counties (Williamson/No. 59, Rutherford/No. 84 and Montgomery/No. 96) ranked among America's 100 Fastest-Growing Counties.
– *U.S. Census Bureau, March 2006*
- Nashville ranked No. 1 in the nation for business expansion and relocation for the second consecutive year.
– *Expansion Management, January 2006*

LABOR MARKET INFORMATION / JOB GROWTH

The fundamental strengths of the area's workforce lie in its productivity, its ability to produce and deliver the highest quality goods and services, and its adaptability to an ever-changing technical and competitive environment. In recent years, Nashville's population and workforce has grown much faster than the national rate, thus increasing worker supply. Employment growth in the Nashville area exceeded 17% during the past decade. Over the past two and a half years the Nashville region has welcomed eight corporate headquarters adding approximately 3,800 new jobs. According to the Bureau of Labor Statistics the fourth quarter unemployment rate of 3.9 percent for the Nashville MSA remains below the state average of 5.0 percent and the national average of 4.5 percent.


NASHVILLE'S STRONG ECONOMY

Nashville's diverse economy greatly benefits from low unemployment, consistent job growth, substantial investment and expansion, and a well-trained growing labor force. The labor force of Middle Tennessee exceeds employers' needs in skills and commitment. The Nashville area is home to more than 85,000 post-secondary students who attend the region's 19 higher education institutions, including Vanderbilt University, Middle Tennessee University, Tennessee State University and Belmont University. Nashville ranks in the top 10 cities in the country for the highest number of college degree holders.

NASHVILLE'S STRONG ECONOMY (CONTINUED)

The Nashville area tends to outperform the state and nation throughout all stages of the economic cycle. The Nashville economy is clearly not reliant on any one area of business activity. A partial listing of the Nashville area's major employers is located in the table below. The city is a leader in publishing and printing, finance and insurance, health care management, music and entertainment, automobile and related industry manufacturing, higher education and tourism.

MAJOR EMPLOYERS

**Denote National, State or Corporate Headquarter*

Vanderbilt University & Medical Center*	17,158
HCA*	8,742
Nissan North America, Inc.*	8,100
Saint Thomas Health Services*	6,300
Saturn Corporation	5,800
Bridgestone Americas Holding Inc.*	4,900
Gaylord Entertainment (Opryland)*	4,150
CBRL Group, Inc. (Cracker Barrel & Logan's Roadhouse Restaurants)*	3,350
Electrolux Home Products	3,300
YMCA of Middle Tennessee	3,100
Ingrum Industries Inc.*	3,081
Century II Staffing*	3,000
The Kroger Company*	2,649
UPS	2,500
BellSouth	2,388
Randstad Work Solutions	2,230
Asurion*	1,750
Ford Motor Credit*	1,700

Source: Nashville Department of Economic Development

RELOCATIONS AND EXPANSIONS

The strong growth of Nashville's economy has fueled many relocations and expansions. As recognized by Expansion Management (January, 2006), Nashville ranked #1 in the nation for business expansion and relocation. Throughout the past decade, more and more businesses have chosen to call the Nashville area home. The success of headquarters such as HCA, Bridgestone/Firestone, Dollar General and Caterpillar Financial are just a few examples of the Nashville story. Since 2003, a total of eight major headquarter relocations have been announced marking the most prolific years for corporate relocation activity in the history of the Middle Tennessee region. The Nashville area's strong workforce, excellent logistical advantages, cost efficiency of doing business and pro-business attitude are all contributing factors that have pointed Nashville to new heights of growth and resurgence. Listed below are Nashville's most recent significant corporate relocations:

- Nissan North America, Inc. recently relocated its North American head-quarters and nearly 1,300 jobs from California to the Nashville Area in 2006. The company plans to invest \$70 million to build a Headquarters building in Franklin, Tennessee, with expected completion in 2008.
- Asurion, North America's largest provider of enhanced services for the wireless communications area, announced their relocation from the San Francisco bay area, resulting in the creation of 600 jobs and 200,000 square feet of space in the Nashville operations location.
- Louisiana-Pacific, a supplier of commodity and specialty building products, recently relocated their corporate headquarters from Portland, Oregon, and occupies 80,000 square feet of Class A office space in downtown Nashville.
- Caremark, a leading pharmaceutical services company ranked 221 on the Fortune 500 with over \$9 billion in revenue, has relocated from Birmingham, Alabama, creating 50 high salary jobs.
- Clarcor, a manufacturer of filtration products worldwide has relocated from Rockford, Illinois, creating 50 high level jobs in the Nashville area.
- Qaunta, the world's largest manufacturer of notebook computers, has relocated occupying 172,000 square feet and creating 500 new jobs.

NASHVILLE'S STRONG ECONOMY

Nashville's strategic location and superb transportation network attract national and regional companies making Nashville a major business center in the South-east. Geographically situated within 650 miles of 50 percent of the U.S. population, Nashville's central location has made it a vital transportation and distribution center in America. The Nashville area is served by three major interstate systems (I-40, I-24 and I-65), two inner loop connections (I-440 and Briley Parkway) and a recently constructed outer beltway (State Route 840). The area is a transportation hub with excellent air, rail and highway access to any part of the country and fast and easy international connections. This not only makes it extremely attractive in terms of cost and time savings to corporations with large numbers of employees who travel, but it is also an easy city to travel in and out of for both personal and business relationships.

Nashville's location is conveniently accessible to 24 states and is within a one-day truck drive of 75 percent of the U.S. markets. Nashville recently received a five-star ranking in Expansion Management's 2005 Logistics Quotient for "Americas 100 Most Logistics Friendly Metros" based on categories such as transportation and warehouse industry climate, available workforce, road infrastructure and conditions, taxes and fees, waterborne commerce, railroads and air cargo. Further advantages of Nashville's transportation benefits include:

- Six interstate legs intersecting in Nashville
- An international airport offering 440 flights daily and ranked the 36th largest air travel market in the U.S. served by 17 airlines
- Air cargo provided by 20 companies
- Full river barge access to the Gulf of Mexico
- CSX rail transportation • Strategic location between the FedEx hub in Memphis and UPS hub in Louisville
- Over 150 truck terminals
- State of Tennessee borders eight other states – more than any other state in the U.S.

UNITED TECHNOLOGIES DISTRIBUTION CENTER



ENTERTAINMENT & TOURISM

The region's mix of history, music, sports, family attractions and meeting facilities draws more than 10 million visitors from around the world each year and generates more than \$2.5 billion in revenues in the local economy. New attractions in the Nashville area include the Frist Center for the Visual Arts, the Country Music Hall of Fame and Museum, and the Opry Mills shopping mall. The area also boasts more than 193 hotels and two convention centers.

From the historic Ryman Auditorium, former home of the Grand Ole Opry, to Printers Alley, Riverfront Park, Gaylord Entertainment Center and LP Field, downtown Nashville is the entertainment hub of the city. With more than 30 music clubs, and 125 restaurants downtown Nashville is a place for every age and taste. From football to hockey, more than 1.7 million people a year attend professional sports activities in the Nashville area to support collegiate, minor league, and professional teams such as the Tennessee Titans (NFL) and the Nashville Predators (NHL).

LIVING

The secret of Nashville's success as a city is its quality of life. Nashville's quality of life goes beyond its seasonally mild climate, rich landscape, laid-back lifestyle and affordable cost of living. There are countless opportunities in the area to embrace a healthy lifestyle. Residents have access to more than 30 hospitals, medical centers, clinics and specialty centers. And the area's diversity of religious beliefs is evident in more than 800 churches, synagogues, temples, mosques and other houses of worship. Nashvillians also have a wide range of shopping choices, from Opry Mills mega shopping outlet to the Farmer's Market downtown to eight regional shopping malls with more than one million square feet of retail shopping space in each.

COST OF LIVING COMPARISON

Nashville consistently heads the list of major U.S. cities with one of the lowest cost of living rates. The latest national survey puts total living costs for the Nashville area at 89.2.

Fort Worth, TX	86.6	Jacksonville, FL	96.4
Nashville - Franklin, TN	89.2	Memphis, TN	96.5
Charlotte, NC	91.8	Austin, TX	97.8
El Paso, TX	92.8	Atlanta, GA	98.2
Kansas City, MO-KS	94.4	Indianapolis, IN	98.4
Oklahoma City, OK	94.5	New Orleans, LA	98.6

Source: ACCRA Cost of Living Index, 3Q 2006 (U.S. Average=100), cities of 400,000 to 1,000,000 population



NASHVILLE’S STRONG ECONOMY

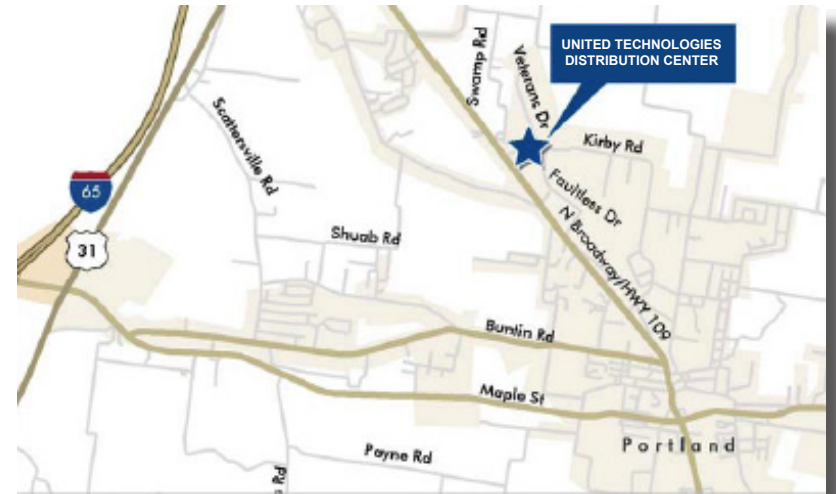
The City of Portland is located in northern central Tennessee, about 30 miles northeast of Nashville and just over two miles south of the Tennessee-Kentucky state line. Portland is located within Sumner County, which includes the northern-most suburbs of Nashville, Hendersonville and Gallatin.

POPULATION & HOUSEHOLD PROJECTIONS

	City of Portland	Sumner County
Population		
2011 Population	11,578	158,312
2006 Population	10,187	145,531
2000 Population	8,458	130,449
1990 Population	6,273	103,28
Growth 2006-2011	13.65%	18.78%
Growth 2000-2006	20.44%	11.56%
Growth 1990-2000	34.83%	26.30%
Households		
2011 Households	4,486	61,377
2006 Households	3,931	55,778
2000 Households	3,226	48,941
1990 Households	2,342	36,850
Growth 2006-2011	14.12%	10.04%
Growth 2000-2006	21.85%	13.97%
Growth 1990-2000	37.75%	32.81%

Source: CB Richard Ellis

The preceding statistics reflect continued strengthening of the economy in Portland and the area as a whole. Portland and its surrounding communities have enjoyed significant increases in population since 1980. By the year 2011, the population of Portland is expected to increase by an additional 13.65%, while Sumner County as a whole will experience around a 9% increase in population.



UNITED TECHNOLOGIES DISTRIBUTION CENTER

TRANSPORTATION

Nashville International Airport is the area’s commercial airport, and is located just over 30 miles southwest of Portland. The primary thoroughfare within the area is Interstate 65, which runs from north to south around five miles west of the City of Portland and connects the area with the City of Nashville to the south and the City of Bowling Green to the north. The CSX Transportation Railroad runs through the eastern portion of Portland and is less than 1,000 feet from the building.

GOVERNMENT

Each incorporated city within Sumner County has its own zoning ordinances and building codes. The City of Portland has a comprehensive zoning plan and building code that provides specific guidelines for development of all types of properties and is considered to have had a positive effect on the development of the city.

EMPLOYMENT

The economic diversification of Portland is one of the areas most significant assets. Diversification supports resistance to sharp economic recessions and allows quick responsiveness in periods of expansion.

EMPLOYMENT BY INDUSTRY

	City of Portland	Sumner County
Employment by Industry - 2006	5,079	75,697
Agr/Frst/Fish/Hunt/Mine	1.20%	0.87%
Construction	10.22%	7.99%
Total manufacturing	29.63%	17.37%
Wholesale Trade	5.34%	5.09%
Retail Trade	13.11%	13.77%
Transport.Warehswe/Utils	8.19%	5.60%
Information	1.36%	3.05%
Fin/Insur/RE/Rent/Lse	4.00%	6.40%
Prof/Sci/Tech/Admin	1.38%	4.12%
Mgmt of Companies	0.00%	0.22%
Admin/Spprt/Waste Mgt	2.40%	3.40%
Educational Svs	5.61%	6.44%
Health Care/Soc Asst	6.56%	9.92%
Entertainment and Rec Services	0.49%	1.69%
Accommdtn/Food Svcs	4.23%	5.61%
Oth Svcs, Not Pub Admin	3.92%	4.88%
Public Administration	2.36%	3.59%

Source: CB Richard Ellis

As with most rural communities, Portland's economy relies heavily on the manu-facturing industry, with manufacturing employees filling nearly one-third of the city's workforce. The manufacturing industry is also the primary employer of Sum-ner County with retail as second.

The most recent additions to the area include Titeflex and Olhausen. In addition to these employers, Federated Department Stores, Inc. (Macy's/ Bloomingda-le's) and Dorman Products will be locating to the area by the second quarter of 2007.

UNITED TECHNOLOGIES DISTRIBUTION CENTER


United Technologies Distribution Center

MAJOR EMPLOYERS

Rank	Company Name	# of Employees
1	Unipres	600
2	Peyton's Mid-South	450
3	Thomas and Bettes	270
4	Kirby Building Systems	257
5	United Structures of America	215
6	New Roads Construction	200
7	Olhausen	200
8	Gastite/Titeflex	180
9	Western Plastics	180
10	Fleet Design	176

LOCATION

Primary access to the General Electric Distribution Center is provided by Interstate 65 and Broadway (SR-109). Interstate 65 is primarily an eight lane, variable width right of way, traversing the City of Portland on its western side in a general north-south direction. This interstate connects the City of Portland with Nashville to the south and Louisville, Ky., via Bowling Green, Ky. to the north. The commute from Interstate 65 to downtown Portland is less than five minutes whereas the commute to the Nashville CBD is approximately forty minutes.

NASHVILLE / PORTLAND MARKET

Due to a diverse economy, educated workforce and pro-business government, the Nashville MSA has become a destination for multinational corporate headquarters, and for the second consecutive year, Nashville was rated the number one city for business expansion and relocation by Expansion Management magazine. Overall, the Nashville Industrial Market has witnessed record breaking absorption this year with 4.5 million square feet absorbed through fourth quarter. Vacancy for the entire MSA has remained under six percent with a majority of the availability/vacancy in Flex/R&D product. Because of Portland, Tenn.'s proximity to the Nashville MSA, it is included in the I-65 North Industrial submarket, which has accounted for approximately one-third of the absorption for the entire year. Like the MSA, vacancy has remained below six percent and rents are have averaged \$3.32 per square foot for the year.

NASHVILLE INDUSTRIAL MARKET YEAR TO DATE*

Submarket	Rentable Area	Current Vacancy Rate	YTD Absorption	Under Construction	Avg. Asking Gross Lease Rate \$SF/YR
Allied Drive / I-65 South	19,116,131	3.23%	435,060	—	\$3.83
CBD/Polk Avenue	14,001,840	7.46%	-59,856	—	\$3.30
Elm Hill Pike/ I-40 East	20,190,405	9.39%	1,295,631	142,145	\$3.87
Interchange City	48,664,283	6.03%	979,696	765,000	\$4.42
MetroCenter/Cockrill Bend	14,233,053	3.27%	654,584	—	\$3.93
Northeast / I-65 North (includes Portland)	35,838,777	4.86%	1,172,204	859,000	\$3.32
Total Market	152,044,489	5.72%		\$3.90	

*As of 4Q 2006










UNITED TECHNOLOGIES DISTRIBUTION CENTER

The Portland Industrial market is well positioned near the Kentucky-Tennessee state line and 30 miles north of the Nashville MSA. In addition to an excellent industrial location, the population base of Portland continues to rapidly increase. Not surprisingly, these two factors have combined to make Portland a very attractive for industrial users.

Two significant developments comprise the bulk of Portland's industrial market, the North Industrial Park and the TN-KY Industrial Park. North Industrial Park is Portland's major industrial park which houses several of the largest employers including UNIPRES, Faultless Caster, Yokohama and NVR Building Products. The TN-KY Industrial Park is currently less than half-developed but it includes: Titelflex, Inc, a steel-pipe manufacturer with a headquarters in Springfield, Mass., which is occupying a 154,000 square foot spec building; Federated Department Stores is building a 595,000 square foot fulfillment center; and Olhausen Billiard, formerly of San Diego, Calif., recently completed construction on its new headquarters and distribution facility in the park.

All of these projects fall within the boundaries of the Northeast I-65 Industrial sub-market, which has registered strong growth during the past year with the addition of these new projects in Portland. Additionally, the submarket will expand once Marangoni Tread North America of Rivergate, just south of Portland, completes its \$20 million expansion which will add between 40-60 employees.

SALES COMPARABLES

Picture	Bldg Name	Address	Size	Sale Date	Price	Price/SF	Comments
	Midsouth Logistics VI	435 Sanford Rd LaVergne, TN	770,000	Jan-07	\$34,000,000	\$44	Part of portfolio transaction; 1 building; 100% occupied; Tenants include Cinram International distribution property; Last sold for \$39/SF in 2004
	Menlo Building	6200 E Division Street Lebanon, TN	234,780	Nov-06	\$8,300,000	\$35	100% occupied
	Midsouth Logistics Center I, III & IV	401-427 Sanford Rd LaVergne, TN	1,531,012	Oct-06	\$67,000,000	\$44	Distribution property; 100% occupied; Tenants: Hewlett-Packard, Ozburn-Hessey, United Stationers Supply, Waldenbooks
	500 Allied Drive	500 Allied Drive Nash-ville, TN	177,000	Oct-06	\$5,075,000	\$33	Distribution/Warehouse; 100% occupied
	Cinram Building	1706 Heil Quaker Blvd LaVergne, TN	518,000	Oct-06	\$17,400,000	\$33	100% occupied
	Rockdale Distribution Center	Aldi Road Lebanon, TN	325,000	Dec-05	\$14,900,000	\$46	Distribution property; 100% occupied
	Carrier Corporation	328 Weakley Ln Smyrna, TN	244,000	Dec-05	\$8,793,500	\$36	100% occupied
	Duke Portfolio	Various locations Nashville, TN	2,619,315	Sept-05	\$201,321,699	\$76	Portfolio Sale
	Hot Topic Distribution Center	Waldron Rd. LaVergne, TN	300,000	Jun-05	\$14,300,000	\$48	100% occupied; Tenants include Hot Topic; Distri-bution property

FOR SALE



United Technologies

Distribution Center • Portland, Tennessee

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