

Demographics & Economics

Population

Hartford MSA	1.2 million	Hartford	4.5%
Hartford Growth ¹	0.55%	Connecticut	4.3%
National Growth ¹	1.30%	National	4.3%

Unemployment Rate (March 2007)

Household Income & Value

Per Capita Income	\$42,720	2006 Households	466,000
3-year Job Growth ²	0.10%	Household Growth ¹	0.64%
Net Migration (2005)	1,600	Median Home Price	\$252,500

Major Employers

State of Connecticut
United Technologies Corporation
The Hartford Financial Group
Aetna, Inc.
Travelers

Sources: Bureau of Labor Statistics May 14, 2007 report, Hartford Chamber of Commerce, NAR, STDB Online. "Home Price Analysis Report for Hartford Region – July 2006" ©2006 NATIONAL ASSOCIATION OF REALTORS®. Used with permission. Reproduction, reprinting, or retransmission of this document in any form (electronic media included) is prohibited without written permission.

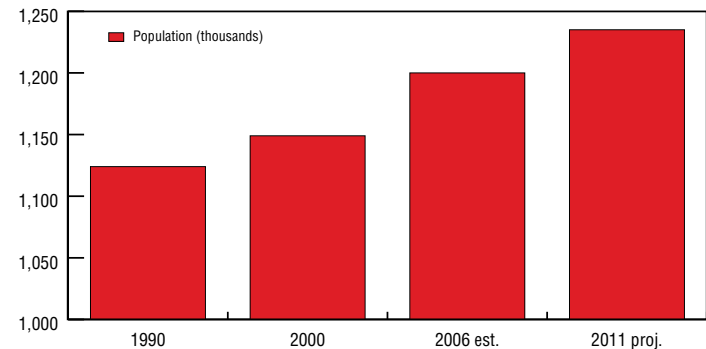
¹Projected annual growth over 5 years (2006-2011).
²Total cumulative job creation of last 3 years.

Noteworthy Transactions

	Sale Date	Sale Price	SF/Units	\$ Per SF/Unit
Office				
Gothic Park	Feb. 07	\$6,000,000	60,000	\$100
State House Square	Mar. 07	\$97,750,000	837,255	\$117
Industrial				
Ford Distribution Center	Mar. 07	\$14,305,000	226,661	\$63
Lego Manufacturing Facility	Jan. 07	\$53,880,848	587,736	\$92
Retail				
Oakland Commons	Jan. 07	\$12,450,000	89,850	\$139
Windsor Court	Feb. 07	\$10,962,711	78,480	\$140
Apartment				
503 New Britain Ave.	Feb. 07	\$11,666,666	26	\$448,718
Hawthorne at Gillette Ridge	Feb. 07	\$52,500,000	246	\$213,415
Hotel				
Crowne Plaza	Mar. 07	\$20,220,000	350	\$57,771

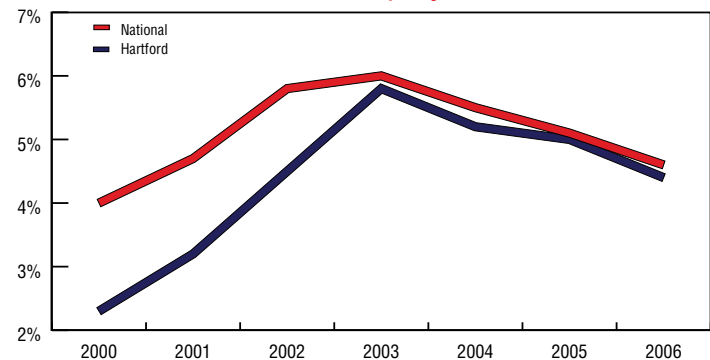
Compiled by RERC for the RERC/CCIM Investment Trends Quarterly report.

Hartford Population Growth



Source: STDB Online

Hartford Unemployment Rate



Source: Bureau of Labor Statistics

Market Construction/Redevelopment Activity

	Property Type	New(N)/Refurbished(R)	Total SF/Units	Estimated Delivery
101,201,301 Hammer Mill Rd.	Industrial	N	45,000	2007

Sources: CBRE, RE Business

Changes from Previous Quarter		
	Office	Industrial
Vacancy	↓	↑
Inventory	↓	↑
Expected 1-Year Rents	↓	↓
Asking Rents	↓	↑

Data compiled from various sources, including RERC, Torto Wheaton Research, Grubb & Ellis, CBRE, and Marcus & Millichap.

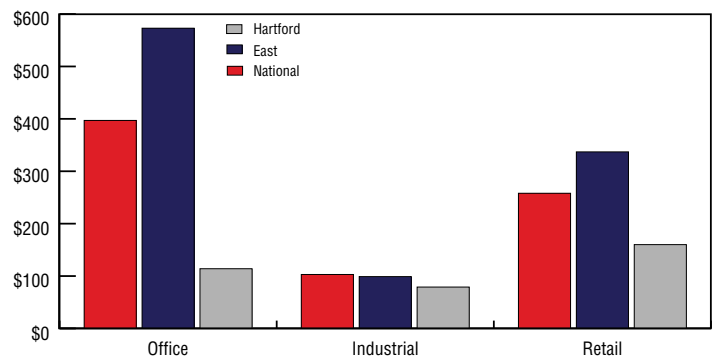
Hartford Transaction Breakdown (4/1/06 - 3/31/07)					
	Office	Industrial	Retail	Apartment	Hotel
< \$5 Million					
Volume (Mil)	\$26	\$76	\$58	\$90	\$8
Size-Weighted Avg.	\$80	\$37	\$73	\$58,054	-
Price-Weighted Avg.	\$133	\$53	\$103	\$68,984	-
Median	\$75	\$47	\$71	\$55,000	-
> \$5 Million					
Volume (Mil)	\$781	\$264	\$440	\$281	\$47
Size-Weighted Avg.	\$93	\$66	\$132	\$125,818	\$60,373
Price-Weighted Avg.	\$113	\$87	\$168	\$173,371	\$60,909
Median	\$111	\$63	\$138	\$106,293	\$60,870
All Transactions					
Volume (Mil)	\$808	\$340	\$497	\$370	\$55
Size-Weighted Avg.	\$93	\$56	\$121	\$98,102	\$55,327
Price-Weighted Avg.	\$114	\$79	\$160	\$148,106	\$57,481
Median	\$91	\$50	\$83	\$55,977	\$55,111
Capitalization Rates % (All Transactions)					
Weighted Average	7.7	7.7	6.4	6.4	7.8
Median	7.0	7.3	6.3	6.2	7.9

Source: RERC

RERC's Take on the Market

- The Hartford area economy is performing slightly below the national economy, with a higher unemployment rate and lower job and population growth rates.
- Prices for commercial property among all sectors in the area are generally lower than regional and national averages, while average capitalization rates fluctuated.
- Although prices for commercial property in the Hartford area are low, the economy is slowing, further weakening investment potential for the commercial real estate market.

RERC Price-Weighted Average Price Per SF/Unit - 1Q 2007



RERC Weighted Average Cap Rates - 1Q 2007

