



Demographics & Economics

Population		Unemployment Rate (March 2007)	
Indianapolis MSA	1.7 million	Indianapolis	4.3
Indianapolis Growth ¹	1.75%	Indiana	5.0
National Growth ¹	1.30%	National	4.3
Household Income & Value			
Per Capita Income	\$36,853	2006 Households	660,945
3-year Job Growth ²	3.5%	Household growth ¹	1.79%
Net Migration (2005)	10,600	Median Home Price	\$123,000
Major Employers			
Eli Lilly & Co.			
Indiana University			
Clarian Health Partners			
St. Vincent Hospital and Health			
Purdue University			

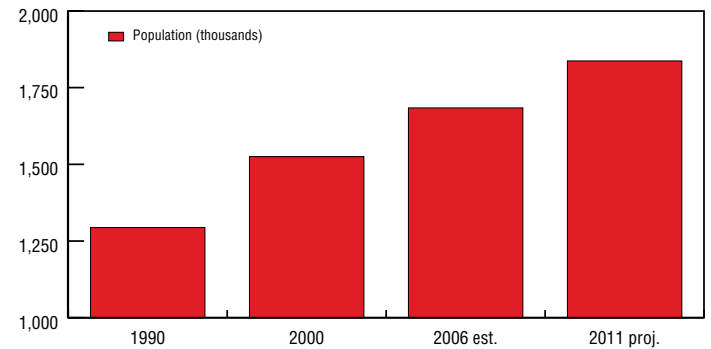
Sources: Bureau of Labor Statistics May 14, 2007 report, Career Info Net, NAR, STDB Online.
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¹ Projected annual growth over 5 years (2006-2011).
² Total cumulative job creation of last 3 years.

Noteworthy Transactions

	Sale Date	Sale Price	SF/Units	\$ Per SF/Unit
Office				
1630 N Meridian St.	Mar. 07	\$8,400,000	94,000	\$89
941 North Meridian St.	Feb. 07	\$3,300,000	99,416	\$33
Industrial				
2513-2515 S Holt Rd.	Mar. 07	\$6,600,000	139,200	\$47
3333 Massachusetts Ave.	Feb. 07	\$2,074,800	50,861	\$41
Retail				
College Park Plaza	Mar. 07	\$7,350,000	28,094	\$262
8231 U.S. 31 South	Mar. 07	\$1,750,000	7,075	\$247
Apartment				
The Fields	Mar. 07	\$34,000,000	285	\$119,298
Island Club	Mar. 07	\$17,900,000	314	\$57,006
Hotel				
Ramada Inn	Feb. 07	\$10,540,684	131	\$80,463

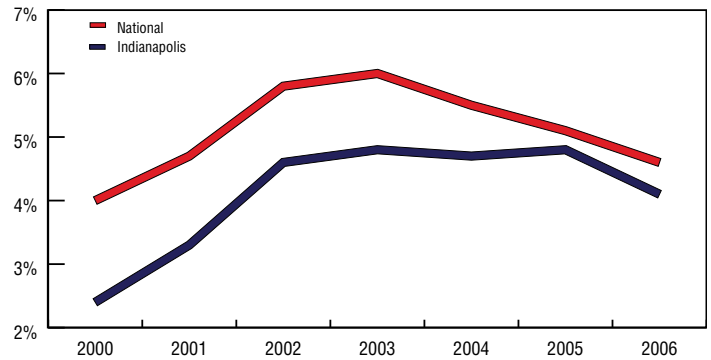
Compiled by RERC for the RERC/CCIM Investment Trends Quarterly report.

Indianapolis Population Growth



Source: STDB Online

Indianapolis Unemployment Rate



Source: Bureau of Labor Statistics

Market Construction/Redevelopment Activity

	Property Type	New(N)/Refurbished(R)	Total SF/Units	Estimated Delivery
Plainfield Business Center Building IX	Industrial	N	480,000	2007
Plainfield Business Center Building X	Industrial	N	133,340	2007
Park 100	Office	N	231,343	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.

RERC's Take on the Market

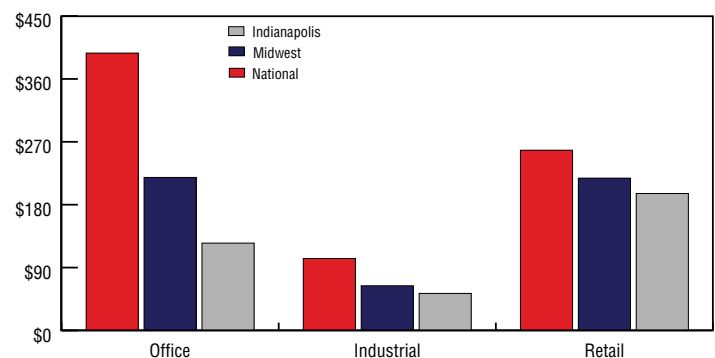
- The Indianapolis economy is expected to continue growing over the next few years, with 3-year job growth and projected 5-year population growth well above national averages.
- Prices and capitalization rates for commercial property among all sectors in the area are mixed when compared to national and regional averages.
- Although some property prices are slightly higher than national levels, investors may find some opportunities for commercial real estate investment in the Indianapolis area.

Indianapolis Transaction Breakdown (4/1/06 - 3/31/07)

	Office	Industrial	Retail	Apartment	Hotel
< \$5 Million					
Volume (Mil)	\$23	\$30	\$32	\$11	\$3
Size-Weighted Avg.	\$54	\$22	\$66	\$23,576	-
Price-Weighted Avg.	\$87	\$41	\$148	\$29,815	-
Median	\$67	\$34	\$78	\$29,143	-
> \$5 Million					
Volume (Mil)	\$669	\$195	\$124	\$386	\$170
Size-Weighted Avg.	\$111	\$48	\$168	\$58,047	\$119,429
Price-Weighted Avg.	\$126	\$55	\$208	\$73,409	\$127,597
Median	\$105	\$44	\$190	\$57,408	\$125,990
All Transactions					
Volume (Mil)	\$692	\$226	\$156	\$398	\$172
Size-Weighted Avg.	\$107	\$42	\$127	\$55,755	\$115,599
Price-Weighted Avg.	\$125	\$53	\$196	\$72,184	\$126,275
Median	\$81	\$40	\$143	\$43,990	\$125,990
Capitalization Rates % (All Transactions)					
Weighted Average	7.3	6.6	7.5	6.9	9.2
Median	7.3	6.7	7.3	7.2	9.0

Source: RERC

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



RERC Weighted Average Cap Rates - 1Q 2007

