



Omaha, Nebraska

Retail Market Summary
Year End 2008

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For the purposes of this survey, we have assigned five size categories to the retail properties we have evaluated.

Cat. 1 - Super regional properties containing in excess of 800,000 square feet.

Cat. 2 - Regional properties containing from 250,000 to 800,000 square feet.

Cat. 3 - Community properties containing from 100,000 to 250,000 square feet.

Cat. 4 - Neighborhood properties containing from 30,000 to 100,000 square feet.

Cat. 5 - Properties smaller than 30,000 square feet.

You will be able to see how each of these categories is performing within their respective submarkets.



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The National Perspective

The climate for retailers during 2008 proved to be very challenging. As the year dawned, the retail industry was struggling with a softening economy and what was already being recognized as an oversupply of retail space. During the first half of the year, many national chains were having difficulty posting positive comp sales. When the bottom fell out of the economy during the second half of the year, retailers were generally quite vulnerable and unprepared to absorb the blow proffered by the dramatic decrease in top line sales. As the year closed, consumers had a sense of foreboding regarding the potential length and severity of the recession. Many had sharply curtailed their spending on most categories of retail goods. A few discount retailers, particularly Wal-Mart have weathered the storm fairly well, but the broad majority of retailers are experiencing significant duress. Announcements of store closing lists have become commonplace and several prominent retailers have filed for bankruptcy, including Circuit City, Linens 'n Things, Mervyn's, Goody's, and Steve & Barry's.

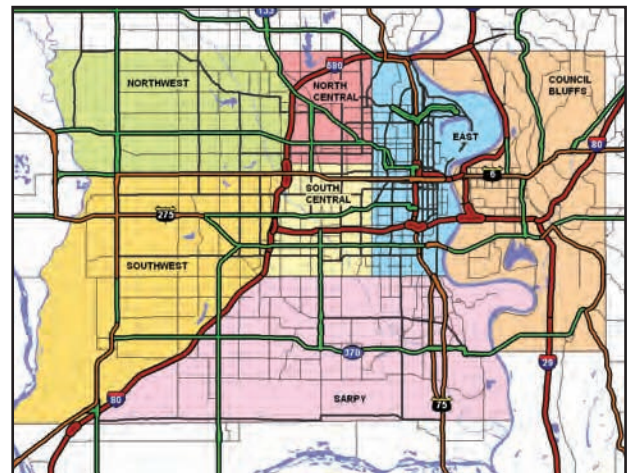
Retailers' problems are compounded by the well publicized shortage of available credit. Many well known retail chains that need to refinance debt in the near term are considered vulnerable and may be forced to file for bankruptcy during 2009. A statistical model utilized by the research arm of the International Council of Shopping Centers is forecasting that 148,000 retail stores will be forced to close in the United States during 2009, which is about 33% in excess of the average closing rate from 2003 – 2007. The restricted credit markets are also posing a threat to the stability of some landlords. Many are considered overleveraged due to suddenly declining asset valuations and recently revamped underwriting standards. These conditions are threatening some of the nations' most prominent landlords, including General Growth, which must refinance a massive amount of short term debt.

While it is difficult to predict how long these challenging conditions will persist, surely many retailers and over leveraged landlords will be eliminated during the current downturn. Nevertheless, it is important to remember that our economy is and always has been cyclical in nature. The fact of the matter is that the

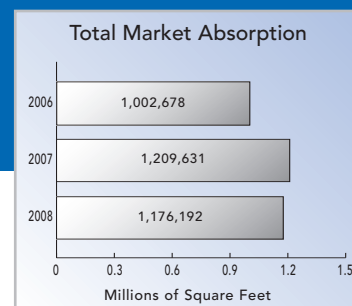
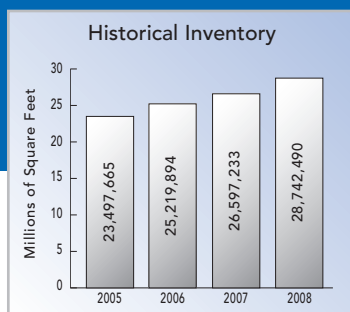
retail real estate industry has not experienced a severe disruption since 1991 and that the current correction is long overdue. Those landlords and retailers that emerge successfully from this crisis will be well positioned to benefit from the elimination of their weaker rivals when conditions improve, as they surely will.

The Omaha Experience

The current stress in the nation's economy is hastening the end of the most prolific period of growth in the history of the Omaha retail market. During our last Summary at year-end 2007, we had predicted a continuation of the recent trend of adding new retail space at a rate far in excess of the population growth rate, and that is in fact just what occurred. The following survey compiled by The Lerner Company, closely



evaluated a total of 294 retail properties containing over 28.7 million square feet of retail space and is the most comprehensive report undertaken by any source on the current status of the Omaha retail market. During Calendar Year 2008, in excess of 1.7 million square feet of new retail space was added to the Omaha retail market. Despite the absorption of nearly 800,000 square feet, we now find ourselves with a vacancy rate of 13.4 percent, representing 3.8 million square feet of vacant space. At the current pace of absorption, and without accounting for any future new construction, the existing vacancy represents a 46 month supply. While vacancy is already at historically high levels, vacancy will surely take another large jump during 2009, as retailers contract in reaction to the sales slump of the most severe recession since the early 1980's. While it is difficult to be precise, in light



of current economic conditions, we feel that vacancy in the Omaha market is likely to reach 15% by the end of Calendar Year 2009.

This survey takes into consideration two types of properties, (1) multi-tenant shopping centers in excess of 15,000 square feet, and (2) large freestanding stores operated by major chain store retailers serving the Omaha market. There are many additional retail properties located throughout the metropolitan area that are smaller than 15,000 square feet. We would conservatively estimate there to be 2 million square feet collectively in these unsurveyed properties. Many contain significant vacancy and they should not be ignored when evaluating our market. In keeping with past practice, our survey results have been segregated into seven geographic submarkets and five size categories within each submarket.

As with most downturns, tenants have gained considerable strength in their negotiations with both potential as well as existing Landlord's. On new deals, it is not unusual for quality tenants to receive a discount of several dollars off the asking rate, plus the equivalent of 6 months of free rent on a five year lease. Tenants are also flexing their newfound muscle on lease renewals. Most landlords are spending more time these days negotiating with existing tenants rather than potential new tenants. During these times, it is important to remember that retailers generally do not want to relocate profitable stores (especially when capital budgets are constrained) and it is a must to discern the difference between existing tenants with legitimate problems and other healthy tenants trying to take advantage of the current climate of fear.

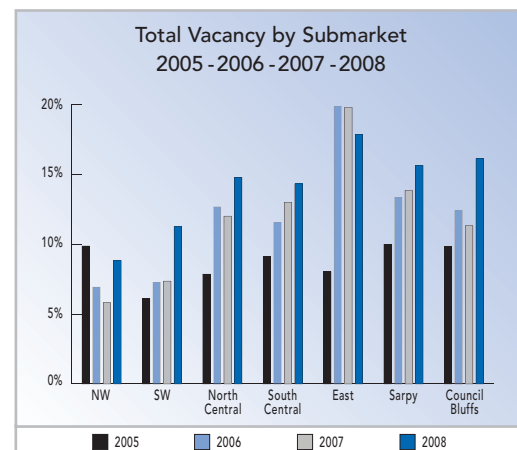
Perhaps no existing segment is more symptomatic of the current retail market than that of the four enclosed malls that serve the Omaha area. Crossroads is nearing the end of its lifecycle and rumors abound that its owner, Simon

Properties Group, will close the interior portion of the mall during the near term. Mall of the Bluffs has been severely injured by the relocation of both JC Penney and Target to nearby open air power centers, and its owner, General Growth Properties, is in financial crisis as result of over leveraging its vast portfolio. While sales at Westroads and Oak View malls dropped slightly during the last year, both remain vibrant and strong and will remain the dominant retail powerhouses in the Omaha market for the foreseeable future. It is somewhat ironic that we entered this decade with many predicting the development of a fifth regional mall in Sarpy County, and we are actually approaching the end of the decade facing the likely possibility of having only two viable enclosed malls serving the entire market in the future.

While the local development community has typically been considered conservative in its approach, it is interesting to note that there now exists approximately 45.4 square feet of retail space per capita in Omaha market, while the national figure is only 41.6 square feet per capita. Not surprisingly, the recent trend of new supply of retail space outstripping population growth has finally come to an end. We are forecasting less than 500,000 square feet of new retail space to come online during 2009 and there are only two new projects of considerable size and influence. Aksarben Village is a 70-acre mixed use project under development by Noddle Companies along with several other local commercial and residential developers on the site of the former Aksarben Racetrack & Coliseum. The master plan for Aksarben Village calls for 900,000 square feet of office, 500 residential units, a 140-room hotel and 300,000 square feet of retail space. The first phases of Aksarben Village opened during the second half of 2008 and additional space will be completed/started during the coming year. A second very substantial mixed use project, the 1 million square foot Midtown Crossing is under

development adjacent and east of Mutual of Omaha's corporate headquarters. Midtown Crossing, which is slated for completion in September 2009, is a joint venture of Mutual of Omaha and ECI Investment Advisors and will consist of approximately 500 residential units, a 132-room hotel and 225,000 square feet of retail space. Both of these impressive projects have been hampered somewhat by the difficult retail environment. Midtown Crossing faces an additional challenge posed by the dire straights of the residential market and the preponderance of condominiums in their residential mix.

In summary, retail conditions are very stressed in the Omaha market as 2008 comes to a close. Due to the continuation of the current economic downturn and the constrained nature of the credit markets, we expect the retail market will deteriorate further during 2009 and that vacancy will increase considerably. As would be expected, the seeds of the future recovery are being sown by the sudden contraction in the amount of new retail space currently under development. The economy will likely begin to improve during 2010, and the retailers and landlords that survive the current troubles will find a dramatically altered retail landscape that will offer new opportunities for reinvention and future growth.

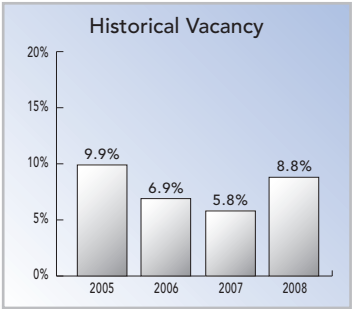


2008 Year End Review - Omaha Retail Market Summary Northwest Submarket

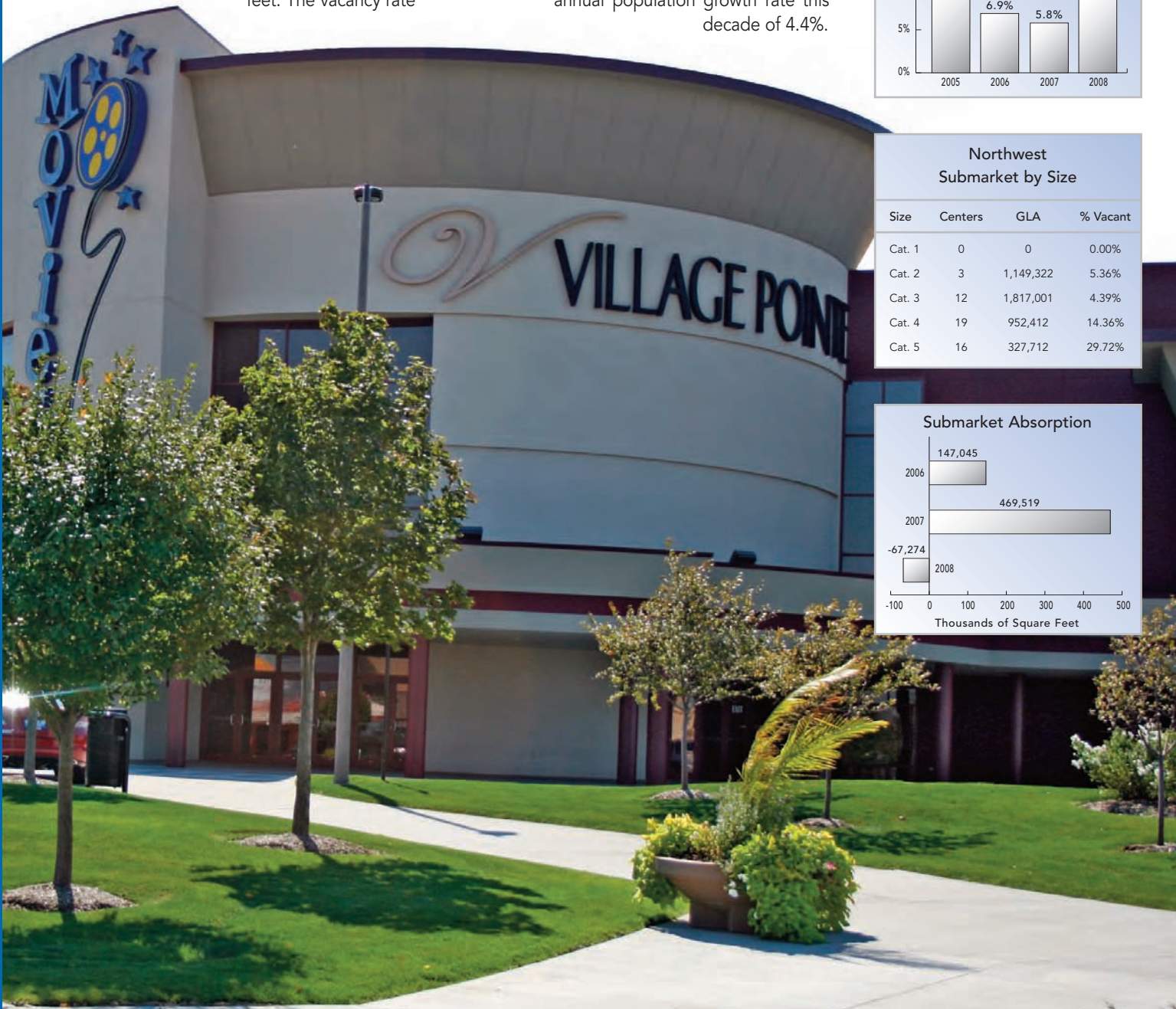
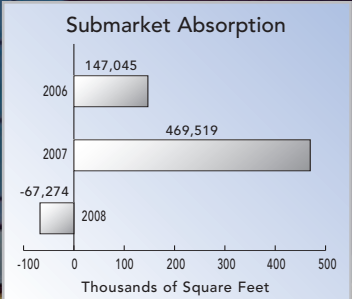
This submarket includes an area bounded by the Washington/Douglas County line on the north, West Dodge Road on the south, Interstate 680 and Hwy 133 on the east and the Platte River on the west. The enticing combination of strong population growth and high income that is prevalent in this area has attracted a large numbers of retailers to the Northwest submarket during recent years.

The Lerner Company surveyed 50 retail properties within the Northwest Submarket totaling in excess of 4.2 million square feet. The vacancy rate

of 8.8% represents 375,580 square feet as compared with 5.8% vacancy found at the end of the prior year. Nearly all of the vacancy is comprised of small shops constructed during the past decade, many of which are located in unanchored properties. The prevailing asking rate for small shops continues to generally range from \$15 - \$22 per square foot, although concessions to tenants were generally common and considerable in the few transactions completed during the past year. The demographics in the Northwest Submarket are very impressive with a current median household income of \$77,478 and an annual population growth rate this decade of 4.4%.



Size	Centers	GLA	% Vacant
Cat. 1	0	0	0.00%
Cat. 2	3	1,149,322	5.36%
Cat. 3	12	1,817,001	4.39%
Cat. 4	19	952,412	14.36%
Cat. 5	16	327,712	29.72%



2008 Year End Review - Omaha Retail Market Summary Northwest Submarket

Center Name & Address	Size	Year Opened	Leasing Co. & Agent	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
352 Plaza 352 N 114th Street	4	1984	N/A	31,142	0	0.00%	N/A	N/A	Mid City Bank, Fernando's
711 N 120th NEC 120th & Webster St	5	1989	Investors Realty Brian Farrell	21,795	3,602	16.53%	\$15.00	N/A	Jensen Tire & Auto
American Interstate Plaza SWC 156th & Maple Rd	3	2005	Lockwood Development Emily Thompson/Bob Begley	143,963	7,486	5.20%	\$20.00	\$23.00	Hy-Vee
Blondo 120 SWC 120th & Blondo St	4	1980	Coldwell Banker World Group Bob Pollard	34,934	2,681	7.67%	\$13.50	\$14.00	Taxi's
Blondo 156 2051 N 156th St	4	1999	Grubb & Ellis/Pacific Realty Adam Marek	61,154	2,550	4.17%	\$15.00	N/A	Bag N Save
Candlewood Centre NWC 120th & Franklin St	4	1985	CB Richard Ellis I MEGA Tracy Earnest	33,000	0	0.00%	\$13.75	N/A	Bank of Bennington
Costco 124th & W Dodge Rd	3	2007	Noddle Development Co Gordon Sudbeck	156,764	0	0.00%	N/A	N/A	Costco
Cross County NEC 132nd & Maple Rd	3	1994	Marathon Realty Cindy Makinster	216,261	0	0.00%	N/A	N/A	Super Target, Walgreens
Douglas Theaters 20 Grand NEC 144th & Maple Rd	4	1996	Marcus Theaters	69,780	0	0.00%	N/A	N/A	20 Grand Theaters
Eagle Run NWC 132nd & Maple Rd	2	1993	The Lerner Company Erin Pogge	349,634	1,250	0.36%	\$16.50	\$18.50	Baker's, Kmart, Kohl's, Petco Office Depot
Eagle Run Plaza SEC 132nd & Maple Rd	4	1996	Bear Properties Terry Hogan	50,000	4,666	9.33%	\$15.00	N/A	Borders
Eagle Run Square SEC 129th & Maple Rd	4	1997	Grubb & Ellis/Pacific Realty Bill Balak/Cindi Cisar	40,290	6,225	15.45%	\$14.75	N/A	Summer Kitchen Café
Elkridge Plaza 20303 W Blondo Rd	5	2006	Grubb & Ellis/Pacific Realty Cindi Cisar/Mike Mellen	20,534	17,059	83.08%	\$10.00	N/A	New York Burrito
Grayhawk Pointe NWC 144th & Eagle Run Dr	4	2001	Bear Properties Terry Hogan	70,000	6,000	8.57%	\$15.00	N/A	Bike Rack, Blue Sushi Sake & Grill
Grayhawk West SWC 147th & Maple Rd	5	2008	Cormac Steve Dunn	29,800	18,000	60.40%	\$16.00	\$22.00	Starbucks, Little King
Greenfield Plaza SWC 156th & W Dodge Rd	4	2000	CB Richard Ellis I MEGA Nancy K. Johnson	49,000	3,787	7.73%	\$13.50	N/A	Subway
Hacienda Heights SWC 108th & Maple Rd	5	1982	Lund Company Tom Webster	22,500	4,700	20.89%	\$10.00	N/A	Goodwill
Hillrise Shopping Center SEC 204 & Douglas St	4	1977	CB Richard Ellis I MEGA Scott Moore/Tracy Earnest	30,165	9,809	32.52%	\$9.25	N/A	Dick's Hillrise Market
Hillsborough Plaza NWC 138th & Maple Rd	5	1998	Bear Properties Terry Hogan	25,000	0	0.00%	\$15.00	N/A	Garbo's Salons
Hillsborough West Plaza NWC 144th & Maple Rd	3	2004	The Lerner Company Boh Kurylo/Dennis Thaemert	137,252	3,000	2.19%	\$18.00	N/A	Home Depot
Linden Market NEC 132nd & W Dodge Rd	3	1989	The Lerner Company Boh Kurylo/Dennis Thaemert	115,836	4,166	3.60%	\$15.00	\$15.00	Hy-Vee
Maple 108 SEC 108th & Maple Rd	3	1984	Grubb & Ellis/Pacific Realty Sue Hronek	105,325	0	0.00%	\$14.50	N/A	Bag 'n Save
Maple Heights NWC 108th & Maple Rd	5	1960	Investors Realty Jerry Huber / John Dickerson	28,125	6,750	24.00%	\$12.00	\$14.00	O'Reilly's
Menards Plaza NWC 204th & W Dodge Rd	3	2007	Menards	240,000	0	0.00%	N/A	N/A	Menards
Miracle Hills Park NNWC 114th & W Dodge Rd	3	1988	Perkins Properties Erin Pogge/Rick Quinlevan	139,000	23,479	16.89%	\$10.00	\$16.00	Bag 'n Save
Miracle Hills Square NNEC 114th & W Dodge Rd	4	1979	Coldwell Banker World Group John Luce/Nancy Klauschie	87,200	6,000	6.88%	\$13.50	\$14.00	Clancy's, Wells Fargo, Jack & Mary's
North Park Commons (Bldgs A,C,D, E) NEC 120th & Blondo St	4	1986	Investors Realty Brian Farrell/ Brian Kuehl	65,496	5,349	8.17%	\$14.50	\$21.00	Coldstone Creamery, Qdoba PepperJax Grill
Old Mill Centre NWC 108th & W. Dodge Rd	4	1974	CB Richard Ellis I MEGA Heidi Rush	69,750	4,868	6.98%	\$11.00	\$15.00	New York Burrito
Pepperwood Village NEC 156th & W Dodge Rd	3	2000	The Lerner Company Erin Pogge/Rick Quinlevan	125,746	1,200	0.95%	\$18.50	N/A	Baker's
Richland Park Plaza ENEC 120th & W. Dodge Rd	5	1976	CB Richard Ellis I MEGA Tracy Earnest/Heidi Rush	16,800	4,800	28.57%	\$11.00	N/A	Jerico's Restaurant
Roanoke Retail SSEC 120th & Fort	5	2007	Investors Realty Brian Farrell/Brian Kuehl/Tim Kerrigan	16,640	16,640	100.00%	\$15.50	\$16.50	
Shoppes at Grayhawk SWC 144th & Maple Rd	2	2002/2006	Grubb & Ellis/Pacific Realty Adam Marek/Pam Beardslee	227,350	24,888	10.95%	\$18.75	N/A	Lowe's, Michaels

2008 Year End Review - Omaha Retail Market Summary Northwest Submarket



The retail trade area at 168th & West Maple Road continued to gain anchor power with the recent addition of Sports Authority and Hobby Lobby. Despite the anchor additions, it is notable that there were an abundance of small shops built at this intersection during the last few years, many of which have never been occupied.

Forecast for 2009

While anchor activity has generally slowed considerably in the Omaha Market, PetSmart has committed to a Spring 2009 opening at Whispering Ridge and we expect one or two additional junior box announcements for new

stores at the 168th & West Maple Road intersection during the coming year.

It would appear that the practice of speculative building of unanchored small shops has finally come to end in Omaha, and none too soon for the Northwest Submarket. There are several so-called "see through" buildings that bear testament to the risks inherent in this type of development. As there is not a single vacant big box in the Northwest Submarket, the 8.8% vacancy rate is considered much worse than the face rate would imply. Given the fragile economy, we foresee an accelerating exacerbation of the vacancy problem during the coming year.



2008 Year End Review - Omaha Retail Market Summary

Northwest Submarket

Shoppes at Thomsen Mile NWC 168th & Maple Rd	3	2005	Coldwell Banker World Group Trenton Magid	48,500	34,500	71.13%	\$23.50	N/A	Wal-Mart Supercenter
Shoppes of Grayhawk SSWC 144th & Maple Rd	4	2007	Lund Company Jason Levy	39,729	23,972	60.34%	\$16.00	\$18.00	Sprint, Massage Envy
Skyline Pointe 204th & Cumberland	4	2008	The Lerner Company Ben Meier/Erin Pogge	22,300	21,082	94.54%	\$17.00	\$19.00	Menards
Standing Bear Pointe NEC 144th & Fort	4	2008	Hoich Enterprises John Hoich	18,420	13,275	72.07%	\$16.00	N/A	Lavendar Patch
Stone Creek Plaza SSWC 156th & Fort	5	2004	CB Richard Ellis I MEGA Nancy K Johnson	16,050	5,711	35.58%	\$15.50	\$16.50	Childrens Dental Specialists
Torrey Pines Plaza 153rd & Maple Rd	5	1998	Grubb & Ellis/Pacific Realty Cindi Cisar/Michael Mellen	18,270	0	0.00%	N/A	N/A	The Manhattan Club
Tranquility Place SEC 124th & Maple Rd	5	1997	Investors Realty Tim Kerrigan/ JP Raynor	22,772	1,835	8.06%	\$13.50	\$13.50	Bene Pizza
Village Pointe 168th & W Dodge Rd	2	2004	RED Development Wendy Chapman	572,338	35,501	6.20%	\$25.00	\$45.00	Scheels, Best Buy, World Market Bed Bath & Beyond, DSW Village Pointe Cinemas
Village Pointe East SEC 168th & W Dodge Rd	4	2004	Quantum Real Estate Scott Brown	30,028	0	0.00%	\$20.00	\$22.00	The Reel Martini Bar
Village Pointe South SWC 168th & Burke St	4	2007	Quantum Real Estate Rob Luellen	52,000	8,100	15.58%	\$22.00	\$25.00	Wine Styles, Fat Brain Toys
Walgreens 10725 Fort St	5	2000	BDRE - Fort LLC	14,998	0	0.00%	N/A	N/A	Walgreens
Walgreens SEC 180th & Burke Street	5	2008	Village Development	14,924	0	0.00%	N/A	N/A	Walgreens
Walgreens 20201 Manderson St	5	2008	Village Development	14,924	0	0.00%	N/A	N/A	Walgreens
West Maple Square NWC 156th & Maple Rd	5	1999	Investment Property Resources Dan Malone	24,464	0	0.00%	\$15.00	N/A	Bank of Bennington
West Point (Bldgs A,B, C, D) NEC 156th & Maple Rd	4	1993	Investors Realty Brian Farrell/Brian Kuehl	98,024	18,446	18.82%	\$14.50	\$17.50	Walgreen's, Tanner's
Western Crossing NWC 120th & W Dodge Rd	3	2003	Menards	163,924	0	0.00%	N/A	N/A	Menards
Whispering Ridge - Phase I SWC 168th & West Maple Road	3	2007	The Lerner Company Rick Quinlevan/Boh Kurylo/Erin Pogge	224,430	5,900	2.63%	\$25.00	N/A	Super Target, Sports Authority
Shoppes at Elk Creek 3811-3831 N 167th Ct	5	2008	Lund Company Scott Schneiderman/Eric Renner/Jason Levy	20,116	18,303	90.99%	\$12.00		
Northwest Submarket Totals				4,246,447	375,580	8.84%			
Whispering Ridge - Phase II SWC 168th & W Maple Rd	3	2009	The Lerner Company Rick Quinlevan/Boh Kurylo/Erin Pogge	30,863			\$15.00	\$25.00	Petsmart
Northwest Construction Totals				30,863					



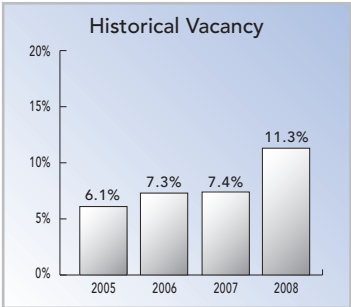
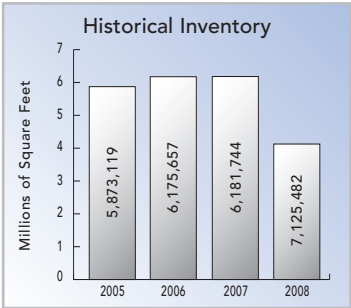
2008 Year End Review - Omaha Retail Market Summary Southwest Submarket

This submarket includes an area bounded by West Dodge Road on the north, Platteview Road extension on the south, Interstate 680 and Interstate 80 on the east and the Platte River on the west. This submarket's main retail focus continues to be along West Center Road, although a considerable retail node has developed in recent years on L Street between 120th and 1332nd Streets. Numerous smaller neighborhood and convenience centers along Harrison Street and Q Street service the residential growth areas in the southern half of the submarket.

The Lerner Company surveyed 67 retail properties totaling just over 7.1 million square feet. This total number was increased by over 400,000 square feet from previous reports when the free standing retail buildings on the ring road of Oakview Mall were added to the survey this year. The vacancy rate of 11.27%, which represents 803,034 square feet, is nearly double the year end 2007 vacancy of 454,939 square. With the huge vacancy increase, we also saw small shop rents drop significantly and now averaging \$10 - 18.00 per square foot. Beyond the dropping face rates, additional concessions have become commonplace in all shopping center types

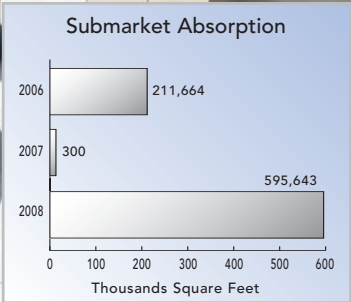
as Landlords do whatever they can to lease space. A strong housing market in this submarket, which has averaged 4.0% growth since 2000, is projected to slow down to 2.2% annual growth during the near term. Population is at 139,000 with the highest median household income in the Metro at \$92,381.

New development was limited in 2008 with only two major projects: L Street Marketplace, 346,585 square feet and the Shops of Legacy (Phase II), 32,046 square feet coming on line. There was a continuation of restaurant and retailer closings with T.G.I. Fridays, Colton's Steakhouse, Letterman's Club, and Linens & Things all shutting their doors. Fourth quarter retail sales were the worst in decades, which should bring numerous restaurant and retailer closings next year. The 132nd and West Center corridor continues to struggle with the closing of Baker's Supermarket and with several additional retailers choosing to follow Target to the L Street



Southwest Submarket by Size

Size	Centers	GLA	% Vacant
Cat. 1	0	859,302	8.00%
Cat. 2	1	2,583,571	5.59%
Cat. 3	10	1,902,765	14.79%
Cat. 4	23	1,256,131	16.12%
Cat. 5	26	523,713	20.24%



2008 Year End Review - Omaha Retail Market Summary Southwest Submarket

Center Name & Address	Size	Year Opened	Leasing Co. & Agent	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
180th Plaza (Phase 1 , 2, 3) SWC 180th & Q St	4	2004	Investor Realty Brian Kuehl/ Brian Farrell	41,454	23,271	56.14%	\$15.00	\$17.50	Walgreens, Goodwill Sherwin Williams
Armbrust Village SEC 168th & W. Center Rd	4	1998	CB Richard Ellis I MEGA Mark Obermeyer/Heidi Rush	31,052	2,152	6.93%	\$17.00	N/A	Clancy's Pub
Bakers Square SWC 132nd & W Center Rd	3	1971	The Lerner Company Rick Quinlevan	156,852	71,953	45.87%	\$16.00	\$16.50	Petco, Steinmart
Bel Air Plaza NWC 120th & W Center Rd	3	1964	Madeline Jacobson Properties Dale Slunicko	137,000	18,000	13.14%	\$9.00	\$12.00	Nobbies, Omaha State Bank
Bel Drive Plaza NWC 120th & Arbor	5	1981	Grubb & Ellis/Pacific Realty Cindy Cisar	18,00	9,000	50.00%	\$10.00	\$12.00	Nickleby's
Big Kmart NWC 144th & Y St	4	1981	Kmart Corporation	97,863	0	0.00%	N/A	N/A	Big Kmart
Boardwalk Square SEC 120th & Pacific St	4	1975	Grubb & Ellis/Pacific Realty Bill Balak/Cindi Cisar	77,538	5,267	6.79%	\$9.50	N/A	Nancy Bounds Modeling
Cattail Creek NEC 192nd & Q St	5	2005	Investor Realty Brian Kuehl/ Brian Farrell	22,886	15,038	65.71%	\$15.50	\$16.50	Imagine & Explore Preschool
Chicago Square NEC 114th & Davenport St	5	1983	CB Richard Ellis I MEGA	16,232	0	0.00%	\$10.00	\$16.00	Centris Federal Credit Union
Davenport Plaza SWC 114th & Davenport St	5	1976	P J Morgan Real Estate Justine Pogge	21,450	2,455	11.45%	\$13.00		Bruegger's Bagels, Martinizing
Davenport Square NWC 114th & Davenport St	4	1970	Coldwell Banker World Group Ryan Blumkin/Trenton Magid	31,766	1,000	3.15%	\$12.00	N/A	Green Onion
Davenport Square SEC 114th & Davenport St	5	1985	7 Oaks Investments Paul Waggener	22,316	10,054	45.05%	\$13.50	\$13.50	Liquid Lounge
Deerfield Place SWC 136th & Q St	3	1987	Phillips Edison & Co. Jeff Valiquett	129,799	25,723	19.82%	\$12.00	\$14.00	Baker's
Discovery Plaza 136th & Discovery Dr	4	1991	Coldwell Banker World Group Bob Pollard	50,000	8,819	17.64%	\$7.95		
Galleria Collection SWC 146th & W Center Rd	4	1986	Lund Company Kurt Weeder	53,194	8,987	16.89%	\$15.50	\$16.50	ShopKo, Old Country Buffet
Georgetown Place NWC 140th & W Center Rd	5	1980	Coldwell Banker World Group Bob Pollard	16,719	0	0.00%	\$13.80	N/A	Stereo West
Harrison Village SWC 168th & Harrison St	4	2004	First Management Inc Eric Wiesler	80,118	5,625	7.02%	\$15.00	N/A	Fareway Foods, Garbo's Salons
Harvey Oaks NWC 144th & W Center Rd	3	1983	Lund Company; Scott Scheiderman Eric Renner; Jason Levy	141,778	10,400	7.34%	\$12.00	\$20.00	Bag 'n Save
Hawthorne Court NEC 180th & Q St	3	2005	Lund Company Scott Scheiderman	108,527	9,608	8.85%	\$15.00	\$16.00	Hy-Vee, Premier Fitness
Home Depot Shopping Center NEC 132nd & L St	2	2003	Home Depot	467,386	0	0.00%	N/A	N/A	Home Depot, Sam's Club Wal-Mart Supercenter
L Street Marketplace 120th & L St	2	2008	Cormac Paul Mulligan	346,585	45,340	13.08%	\$22.00	\$27.00	Super Target, Sports Authority Best Buy
Lakeside Plaza NEC 175th & W Center Rd	2	2000	CB Richard Ellis/Mega Mark Obermeyer/Heidi Rush	356,410	13,090	3.67%	\$16.50	\$20.00	Baker's, Gordmans
Legacy Court 17520-17602 Wright St	4	2004	Lockwood Development Coldwell Banker; Jim Vokal/Nancy Klauschie	37,267	11,155	29.93%	\$15.50	\$18.50	Fox and Hound Colton's Woodfired Grill
Legacy West SEC 177th & W St	4	2004	NP Dodge Commercial Real Estate Jeremy Fink	35,200	17,779	50.51%	\$20.00	N/A	Chipotle Mexican Grill, LePeep, HuHot, Caribou Coffee
Millard Autocare Mall 13704 P St	5		Coldwell Banker World Group Bob Pollard	22,178	4,108	18.52%	\$7.95		
Millard Park Plaza 156th & Harrison St	4	2008	Coldwell Banker World Group Trenton Magid	16,920	0	0.00%	\$13.25	\$13.75	Morgan Pet Clinic
Millard Plaza I Millard Ave & Q St	4	1978	Lund Company Kurt Weeder	91,500	9,437	10.31%	\$10.00	\$11.00	Amazing Pizza Machine
Millard Plaza II SEC Millard Ave & Q St	4	1983	Lund Company Kurt Weeder	73,522	0	0.00%	\$8.00	\$10.50	Thrift World, Pet World
Mission Village SWC 168th & Q St	5	1995	BHI Investment Co.	15,000	0	0.00%	\$13.00	N/A	Omaha State Bank Ashley Lynn Tanning
Montclair SWC 129th & W Center Rd	2	1971	Seldin Company Deb Graeve/Dan Dutton	250,000	46,638	18.66%	\$10.75	\$18.00	Michaels, Hancock Fabrics Sports Authority, Marshalls
Nebraska Crossing Factory Stores NEC I-80 & Hwy 6	3	1991	First Management Inc Eric Wiesler	191,500	43,383	22.65%	\$1.00	\$6.00	Factory Brand Shoes
Oak Hills Shopping Plaza 12701-59 Q St	5	1967	Lund Company Scott Scheiderman	29,069	0	0.00%	\$9.00	N/A	Kohl's Pharmacy
Oakview Mall SWC 144th & W Center Rd	1	1991	General Growth Properties Ted Harris/Jennifer McDonald	859,302	68,744	8.00%	\$10.00	\$80.00	Younkers, Dillards JC Penney, Sears
Oakview Plaza SEC 144th & Oakview Dr	3	1998	Investors Realty	573,646	53,126	9.26%	\$10.00	\$14.50	Petsmart, Old Navy, Kohl's, Hy-Vee Dick's Sporting Goods, Toy's R Us Barnes & Noble, AMC Theaters

2008 Year End Review - Omaha Retail Market Summary Southwest Submarket



Marketplace. While Garden Ridge backfilled the closed Target space, we expect three additional power stores will leave the immediate area during 2009. Nearby at Oakview Mall, which at 859,302 square feet is the dominant regional mall in Eastern Nebraska, vacancy increased during 2008 and sales declined a bit to \$430 per square foot. Despite the negative trend caused by the soft economy, Oakview remains a very healthy regional mall.

The construction of unanchored strip centers has by and large ceased in the far southwest corridors of Harrison Street, Q Street and Gretna as Landlords struggled to find ways to lease up and retain tenants in existing centers of this type.

Forecast for 2009

There are no new major developments scheduled for completion in 2009. HyVee has two new

freestanding stores planned for 180th & Pacific and 144th & Stony Brook with both scheduled to open in 2010. There are strong indications that a grocery anchored center will be announced later this year at 204th & Pacific, though opening prior to 2011 is unlikely. All in all, 2009 will be a year of contraction, especially in the restaurant and small shop spaces. Landlords are rapidly adapting to the soft market and very aggressive deals will be afforded to quality tenants looking to expand or enter the market. Despite these incentives, the trade area is likely to be flooded with additional vacancy.



2008 Year End Review - Omaha Retail Market Summary

Southwest Submarket

Old Orchard West NWC 133rd & W Center Rd	3	1983	Gordman Properties	110,579	20,000	18.09%	\$10.00	N/A	Big Lots, Aldi's, Dave & Busters
Orchard Plaza NNEC 132nd & W Center Rd	3	1977	Slosburg Company	225,000	20,250	9.00%	\$12.00	\$17.00	Garden Ridge, Julio's
Pacific Crest WSWC 120th & Pacific St	5	1976	CB Richard Ellis I MEGA	22,714	6,014	26.48%	\$9.50	N/A	Creative Hair Design
Pacific West SEC 142nd & Pacific St	5	1974	TREK	19,000	1,200	6.32%	\$10.00	N/A	Flowerama
Plaza II NEC 120th & Arbor	5	1981	Grubb & Ellis/Pacific Realty	24,299	0	0.00%	\$10.00	\$12.00	First National Title
Ridgeview SWC 180th & W Center Rd	2	2004	Lund Company	413,190	10,253	2.48%	\$17.00	\$19.50	Wal-Mart, Lowe's
Shoppes at Lakeside 16909 Lakeside Hills Plaza	4	2004	CB Richard Ellis I MEGA	35,495	4,498	12.67%	\$17.00	N/A	Camille's
Shoppes at Standing Stone Hwy 6 & Schram Rd	5	2008	Investors Realty	14,400	11,434	79.40%	\$13.00	\$13.50	
Skylark ESEC 120th & Pacific St	5	1963	P J Morgan Real Estate	20,000	0	0.00%	\$10.00	\$11.00	Big Fred's Pizza
Southport Center Giles Rd & Eastport Pkwy	4	2008	Coldwell Banker World Group	43,357	33,078	76.29%	\$19.00	\$22.00	Jimmy John's Gourmet Pizza
Southwestern Plaza 4257 S 144th St	5	1999	Coldwell Banker World Group	25,324	3,823	15.10%			Buffalo Wild Wings, Pinnacle Bank
Sports Plaza NEC 120th & I St	4	1986	Investors Realty	91,000	9,600	10.55%	\$12.00	\$12.00	Finnigan's, Echo Lighting Guns Unlimited
Spring Ridge Plaza SEC 180th & Pacific St	4	2004	Hoich Enterprises	64,373	6,851	10.64%	\$14.00	\$18.00	M. Constantino Salon
Sugar Creek SEC 192nd & Harrison	4	2008	CB Richard Ellis I MEGA	33,000	33,000	100.00%	\$12.50	\$15.00	TBD
Summit Square NEC 144th & W Center Rd	5	1999	Lund Company	29,557	4,998	16.91%	\$15.50	\$17.50	Old Chicago
Sunridge Shopping Center SWC 180th & Harrison St	5	2006	Investors Realty	24,255	12,327	50.82%	\$15.00	\$16.50	Sam Mai Martial Arts Just Like Home Daycare
Super Saver NWC 144th & Y St	4	2000	B & R Foods	83,941	0	0.00%	N/A	N/A	Super Saver
The Shops of Legacy SWC 168th & W Center Rd	4	2004	Bear Properties	74,000	1,600	2.16%	\$18.00	N/A	Roja Mexican Grill, Fuddruckers
The Shops of Legacy (Phase II) SWC 168th & W Center Rd	4	2008	P J Morgan Real Estate	32,046	11,106	34.66%	\$18.00	N/A	
Tivoli 175th & W Center Rd	4	2006	Lund Company	50,000	4,168	8.34%	\$19.50	N/A	Runza, Beauty First
Tradition Pacific Crossing SWC 156th & Pacific St	4	2001/2006	Lund Company	31,525	5,093	16.16%	\$18.00	N/A	Mama's Pizza Hector's Mexican Restaurant
U Street Plaza 14223 U St	5	1985	Grubb & Ellis/Pacific Realty	22,150	6,690	30.20%	\$6.00	N/A	Meineke
Walgreens 13155 W Center Rd	5	2003	Montclair Investment Co.	14,946	0	0.00%	N/A	N/A	Walgreens
Walgreens 5244 S 136th St	5	1987	PDM Inc	11,120	0	0.00%	N/A	N/A	Walgreens
Walgreens 5062 S 155th St	5	1999	Village Develop Q St. LLC	15,008	0	0.00%	N/A	N/A	Walgreens
Walgreens NEC 171st & W Center Rd	5	2000	Village Development	15,048	0	0.00%	N/A	N/A	Walgreens
Walgreens 18040 R Plaza	5	2004	Walgreens Co	14,544	0	0.00%	N/A	N/A	Walgreens
Walnut Grove Plaza NEC 156th & Q St	3	2000	CB Richard Ellis	128,084	8,961	7.00%	\$13.75	\$15.75	Bag 'n Save
Western Springs NWC 177th & W Center Rd	2	2000	CB Richard Ellis I MEGA	250,000	0	0.00%	N/A	N/A	Super Target
Westport Financial 14505 F St	5	2005	CB Richard Ellis/Mega	21,000	0	0.00%	N/A	N/A	Metro Credit Union
Westport Village 14440 F St	5	2007	CB Richard Ellis I MEGA	18,850	17,129	90.87%	\$15.00	\$18.00	24 Hour Fitness
Westwood Plaza SWC 120th & W Center Rd	2	1964	Seldin Company	500,000	29,081	5.82%	\$9.50	\$18.00	Baker's, TJ Maxx, Westwood Cinema Burlington Coat Factory, Office Depot
Woodhaven Center ENEC 160th & W Center Rd	5	1975	Investors Realty	27,648	1,728	6.25%	\$8.75		Don Carmelo's, Nest Lounge
Southwest Submarket Totals				7,125,482	803,034	11.27%			

2008 Year End Review - Omaha Retail Market Summary North Central Submarket

This submarket includes an area bounded by the Washington/Douglas County line on the north, Western Avenue on the south, 52nd Street on the east and Interstate 680 and Highway 133 to the west. As predicted in last year's report, vacancy increased significantly in the smaller centers comprised of less than 100,000 square feet, which saw a 6.7% drop in the rate of occupancy.

The Lerner Company surveyed 27 retail properties totaling in excess of 2.4 million square feet. The overall submarket vacancy rate of 14.8% represents 356,076 square feet, which is a significant increase from last years 12.01% vacancy rate. The deterioration can be primarily attributed toward the latter part of 2008 as the economic downturn started to takes it toll. Bankruptcy filings allowed Steve & Barry's and Linens 'n Things to reject leases for their stores located at Benson Park Plaza and Sorensen Park Plaza, respectively. The situation with Steve & Barry's was particularly abrupt as Seldin had not even finished the construction of the store when they learned their tenant was not going to be in a position to take occupancy.

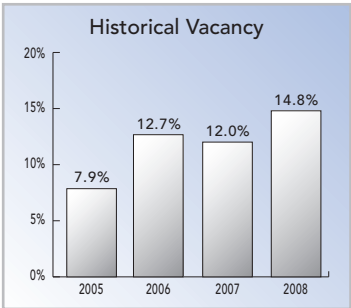
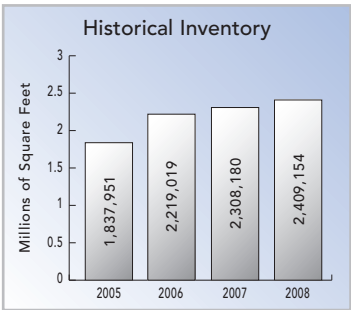
The submarket is predominately blue collar to the east and aging middle class to the west. The area's buying power increased slightly as median household incomes rose 2.86%. However, the additional income was offset by the rise in gas prices and other goods. The submarket's population grew again this year at a healthy clip of 1.46%, bringing it to 60,780. While the new retail centers in the 72nd Street corridor may be struggling to some extent, their presence has helped to bolster the development of new rooftops in the north end of the submarket.

Sorensen Park Plaza, the 567,000 square foot Kimco development on North 72nd Street, continued to struggle to lease their small shops. While relatively poor anchor store performance is a contributing factor, an even larger problem is the awkward small shop configuration mandated by the City of Omaha.

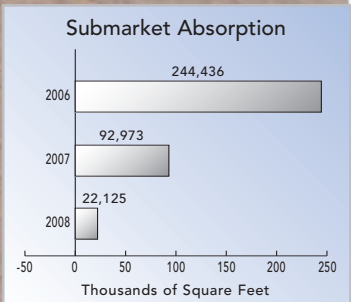
Forecast for 2009

We expect during the coming year, anchored centers will still generally fare better than the unanchored strips; however, downward pressures on rent will be applied to all sectors in this submarket when anchored centers start to offer attractive incentives. The deals that are completed in 2009 will include increasing periods of free rent with lower starting rents across all categories.

Given the vacancy that currently exists in the North Central Submarket, the demand for new retail construction in this corridor is virtually non-existent. Depending on the length and severity of the economic downturn, the North Central Submarket could be in for an even larger spike of vacancy during the coming year.



North Central Submarket by Size			
Size	Centers	GLA	% Vacant
Cat. 1	0	0	0.00%
Cat. 2	1	566,580	6.00%
Cat. 3	7	1,226,690	13.31%
Cat. 4	9	431,279	25.46%
Cat. 5	10	184,605	26.52%



2008 Year End Review - Omaha Retail Market Summary

North Central Submarket

Center Name	Size	Year Opened	Leasing Co	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
Aksarben Plaza 3021-3035 N 93rd St	5	1965	Grubb & Ellis/Pacific Realty Terry Root	17,712	8,856	50.00%	\$8.50	N/A	
Benson Park Plaza NEC 72nd & Military Ave	3	2001	Seldin Company Deb Graeve/Dan Dutton	310,000	73,340	23.66%	\$8.50	\$18.00	Baker's, Home Depot Hancock Fabrics
Blondo Plaza 73rd & Blondo St	5	1961	Investors Realty Lee Ehlers/Clint Seemann	20,000	20,000	100.00%	\$6.00	\$6.00	
Bloomfield Plaza 90th & Blondo	5	2006	NP Dodge Chad Hansen	23,680	1,140	4.81%	\$14.50	N/A	Kwik Shop
Cactus Creek SWC 72nd & Blondo St	4	1963	Commercial Realty Dave Abboud	30,000	20,000	66.67%	\$5.00		Health & Human Service
Hills Village SWC I-680 & Hwy 133	4	2004	Coldwell Banker Commercial Ryan Callinan/Nancy Klauschie	57,334	12,275	21.41%	\$16.50	\$19.80	
Former Baker's Supermarket SEC 72nd & Blondo St	4	1962	The Lerner Company Rick Quinlevan	31,596	31,596	100.00%			Former Baker's
Fort Plaza NWC 90th & Fort St	3	1990	The Lerner Company Boh Kurylo/Dennis Thaemert	134,044	10,024	7.48%	\$12.50	N/A	ShopKo, Dollar General
Gordmans NWC 90th & Military Ave	4	1989	The Lerner Company Boh Kurylo/Dennis Thaemert	77,660	0	0.00%	N/A	N/A	Gordmans
Harolds Square SEC 81st & Blondo St	3	1985	Grubb & Ellis/Pacific Realty Bill Gilmore	107,165	5,100	4.76%	\$7.00	N/A	No Frills Supermarket
Hartman Square 5739-5829 N 60th St	4	1969	Grubb & Ellis/Pacific Realty Terry Root	32,000	800	2.50%	\$9.50	N/A	
Keystone Center SWC 78th & Military Ave	4	1950	Grubb & Ellis/Pacific Realty Terry Root/Candy Bruns	31,050	19,800	63.77%	\$3.50	\$7.50	Belvedere Club
Keystone Landing SEC 90th & Boyd	5	2001	Investors Realty JP Raynor/ Brian Farrell	23,600	2,402	10.18%	\$8.95	\$10.75	Edward Jones
Maple Village NEC 102nd & Maple Rd	4	2000	Slosburg Company TJ Twit	39,100	700	1.79%	\$15.25		Hy-Vee Wine & Spirits Valentino's, Scooters
Maple Wood A SWC 90th & Maple Rd	3	1964	Maplewood Square LLC	120,564	0	0.00%	n/a		Bag 'n Save Plus
Maple Wood B SWC 90th & Maple Rd	5	1964	Newman Trust	28,341	6,055	21.36%	\$12.50		Westlake Ace Hardware
Mormon Bridge Plaza 9229 Mormon Bridge Pl	5	2007	P J Morgan Real Estate Adam Watson	16,500	10,500	63.64%	\$12.00		
Plaza 90 NEC 90th & Grant	4	1980	Lund Company Jason Ruegg/Kurt Weeder	97,987	21,149	21.58%	\$3.50	\$11.00	Hobby Lobby
Plaza North NWC 90th & Fort St	3	1974	Phillips Edison & Co Jeff Valiquett	195,870	26,939	13.75%	\$12.00	N/A	Baker's
Sorensen Park Plaza 72nd & Sorensen Pkwy	2	2006	Grubb & Ellis/Pacific Realty Sue Hronek/Cindi Cisar/Adam Marek	566,580	34,000	6.00%	\$15.00	\$18.00	Target, Marshalls, PetsMart Great Escape Movie Theater
Starwood Shopping Center SEC I-680 & Hwy 133	3	2004	Grubb & Ellis/Pacific Realty Terry Root	229,378	12,366	5.39%	\$12.00		Wal-Mart Supercenter
Village Shopping Center NWC 90th & Maple Rd	3	1980	Central Realty Greg Patterson	129,669	35,534	27.40%	\$4.00	\$8.00	Dollar Tree
Walgreens 6101 NW Radial Hwy	5	1992	Haehner Properties Nebraska LLC	12,544	0	0.00%	N/A	N/A	Walgreens
Walgreens 9001 Blondo St	5	1995	S & L Investments LLC	13,388	0	0.00%	N/A	N/A	Walgreens
Walgreens 90th & Fort	5	2006	Waltrust Properties Inc.	14,374	0	0.00%	N/A	N/A	Walgreens
Walgreens NEC 72nd & Crown Point	5	2007	Waltrust Properties Inc.	14,466	0	0.00%	N/A	N/A	Walgreens
West Benson Plaza NWC 72nd & Grant	4	1976	P J Morgan Real Estate Ryan Ellis/Don Boldizar	34,552	3,500	10.13%	\$8.00	N/A	Ace Rent to Own
North Central Submarket Totals				2,409,154	356,076	14.78%			

2008 Year End Review - Omaha Retail Market Summary South Central Submarket

This submarket includes an area bounded by Western Avenue on the North, Harrison Street on the South, 52nd Street on the East, and Interstate 680 on the West. This submarket contains two enclosed regional malls (Crossroads Mall and Westroads Mall) that collectively account for nearly 33% of the retail space within this submarket.

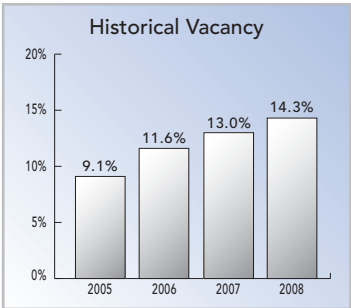
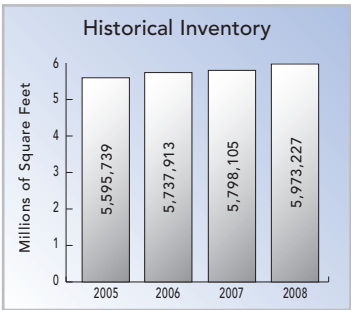
The Lerner Company surveyed 60 retail properties, totaling just short of 6 million square feet in the South Central submarket. Vacancy in the South Central submarket increased by more than 100,000 square feet during 2008. The vacancy rate increased to 14.3%, which represents 855,341 square feet, making this submarket the largest in terms of gross amount of vacant square footage. A couple of big box stores remained vacant during 2008, including the former Baker's Supermarket at 84th and Frederick Streets and the former Bag 'N Save at 7510 Dodge Plaza. With the exception of Westroads Mall, small shop minimum rents in this submarket range from \$7.00 per square foot on the low end to as much as \$35.00 per square foot on the high end. The submarket population is 75,100 with projected annual growth rate of 0.2%. The household median income of \$63,164 per year is slightly below market average. Daytime employment of over 101,172 employees within a relatively small geographic area makes this highly desirable to many retailers and restaurateurs.

The two enclosed malls continue to face very different circumstances and future prospects. Westroads has relatively few vacant mall shops and is considered Omaha's second best performing enclosed mall with sales around \$390 per square foot. General Growth Properties, which owns Westroads Mall, had some exciting announcements in 2008 including the opening of a 14-screen Rave Motion Pictures Theater in a portion of the former Jones Department Store which had been closed since 2003. Westroads also welcomed Abercrombie & Fitch, Abercrombie Kids, Delia's, Forever 21, Limited Too, and Hot Topic in 2008. Although the economy is bringing major challenges to certain retailers, it is not impacting all retail equally. This can be seen by Buckle's plan to expand its store

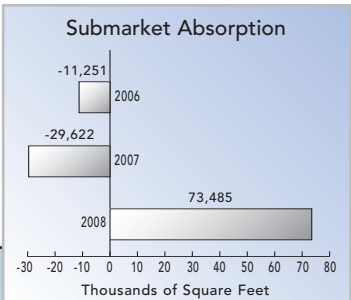
at Westroads Mall to double the current size. Overall, sales were up 6.4% over the previous year at Westroads Mall.

The fate of Crossroads Mall remains uncertain. After an attempt by Dillard's to recreate itself as a Dillard's Clearance Center, it finally closed its doors for good in 2008. While the new Target continues to drive traffic to the area, its presence alone has not been enough to bring prosperity to the dwindling number of small shop tenants in the mall. The entire upper level of the north wing is 100% vacant and only two restaurants remain open in the food court. The lower level of the north wing is following in suit; with the recent announcement that Gap and Baby Gap will relocate to nearby Westroads Mall, only a handful of tenants remain in the north wing. Crossroads' owner, Simon Property Group, is internally strategizing on the best use of the center moving forward. Simon has announced that they don't anticipate proceeding with any major projects during the near term, so it's unlikely that they would embark on a major redevelopment of Crossroads at this time. Consequently, they are most likely facing a decision to sell the mall to an outside developer.

The street retail environment in the South Central submarket continues to be highly desirable by both large format and junior box retailers, but land is scarce and expensive. In spite of the challenges, Wal-Mart opened a new supercenter at 72nd and Hickory and The Sports Authority absorbed a major vacancy when it opened a new store in the former Circuit City building on 72nd & Rose Blumkin Drive.



South Central Submarket by Size			
Size	Centers	GLA	% Vacant
Cat. 1	1	1,210,156	3.72%
Cat. 2	2	1,168,826	28.63%
Cat. 3	12	1,732,703	10.34%
Cat. 4	25	1,402,538	13.06%
Cat. 5	22	459,004	24.71%



2008 Year End Review - Omaha Retail Market Summary

South Central Submarket

Center Name	Size	Year Opened	Leasing Co	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
Dodge Building ENEC 72nd & W Dodge Rd	5	1994	CB Richard Ellis I MEGA Gerard Daly	15,156	4,280	28.24%	\$19.00		Jason's Deli, EB Games
72nd Crossing SEC 72nd & Jones St	4	1989	The Lerner Company Boh Kurylo/Dennis Thaumert	96,657	1,800	1.86%	\$17.50	N/A	Office Depot, PetsMart
74 Dodge Plaza SEC 76th & W Dodge Rd	5	1985	The Lerner Company Ben Meier/Frank Barber	27,000	9,642	35.71%		\$23.00	Indigo Joe's, Stereo West
74 Place NEC 74th & Pacific St	5	1972	Investors Realty Jerry Huber	26,400	9,200	34.85%	\$10.00	N/A	Mid City Bank Pepperjax Grill
7510 Dodge Plaza ENEC 76th & W Dodge Rd	4	1967	Buyers Realty Ronald Daniels	90,000	45,000	50.00%	N/A	N/A	Best Buy
76 Cass Court SEC 77th & Cass St	4	1975	McGregor Interests Geoff McGregor	36,206	7,901	21.82%	\$11.50	\$12.00	New York Pizzeria Tuesday Morning
84th & F Plaza 4087 S 84th St	5	2002	CB Richard Ellis I MEGA Dale Scott/Tracy Earnest	25,650	4,800	18.71%	\$12.00	N/A	UPS Store, Internet Car Lot
Aksarben Place I & II SWC 63rd & Center	4	2007	Investors Realty Pat Regan/Dan Fishburn	19,208	4,500	23.43%	\$22.00	N/A	Jimmy D's, Great Clips
Aksarben Village - Grubb/Ellis NWC 63rd & Center	4	2008	Grubb & Ellis/Pacific Realty Kyle Peterson/Barry Zoob/Adam Marek	65,000	23,590	36.29%	\$25.00	N/A	Wohlner's
Applewood Centre SWC 96th & Q St	3	1989	Phillips Edison & Co Jeff Valiquett	107,862	10,415	9.66%	\$18.00	N/A	Hy-Vee
Applewood Plaza SEC 96th & Q St	5	1985	CB Richard Ellis I MEGA Seth Campbell / Gerard Daly	23,232	4,950	21.31%	\$9.50	\$12.00	Subway, Maggie McCall China Buffet
Beverly Hills Plaza NWC 78th & W Dodge Rd	4	1955	First Management Inc Randall Wieseler	48,843	1,500	3.07%	\$20.00	N/A	John Ryan's, Jam's, Beauty First
Beverly Plaza SWC 78th & W Dodge Rd	4	1999	7 Oaks Investments Paul Waggener	30,779	3,000	9.75%	\$22.00	\$22.00	Beauty Brands, Panera Bread
Borders SWC 72nd & W Dodge Rd	5	1996	Agree REIT	28,176	0	0.00%	N/A	N/A	Borders
Canfield Plaza SWC 84th & W Center Rd	3	1970	Investors Realty Brian Kuehl	185,091	32,953	17.80%	\$6.00	\$7.50	Jo Ann Fabrics & Crafts Westlake Ace Hardware
Cedarnole Shopping Plaza 72nd & Jones	4	1971	Investors Realty John Heine / Brian Farrell	33,955	11,158	32.86%	\$10.00	\$10.00	Austad's
Clocktower Village SWC 98th & Nicholas St	4	1983	Lund Company Kurt Weeder	43,816	6,712	15.32%	\$16.50	\$19.50	America's Best, Salon Tino
Countryside Village NEC 87th & Pacific St	4	1953	Grubb & Ellis/Pacific Realty Cindi Cisar	60,000	3,600	6.00%	\$24.50	\$25.00	Starbucks
Crossroads Crossing 201 S 72nd St	5	2004	Grubb & Ellis/Pacific Realty Cindi Cisar	15,000	0	0.00%	\$35.00	N/A	
Crossroads Mall NWC 72nd & W Dodge Rd	2	1960	Simon Property Group Mark Dreftak	754,620	334,680	44.35%	N/A	N/A	Dillards, Barnes & Noble, Sears Old Navy, Target
Crossroads Plaza NWC 76th & W Dodge Rd	4	1984	NP Dodge Commercial Real Estate Jan Kratky	86,647	6,051	6.98%	\$14.95	\$17.50	Bag 'n Save
Empire Park NWC 108th & Q St	3	1979	Grubb & Ellis/Pacific Realty Terry Root	105,650	16,245	15.38%	\$12.50	\$16.00	Bag 'n Save
Ethan Allen 10820 Pacific St	5	1979	Coldwell Banker World Group Trenton Magid	26,902	26,902	100.00%	N/A	N/A	Ethan Allen
Exec West Retail SWC 96th & L St	4	1989	Wiesman Development Mark Wiesman	20,000	4,000	20.00%	\$9.50	N/A	Concentra Fast Signs UMB Bank
Frederick Plaza 8505 Frederick St	5	1976	Nichole Mallet	22,556	3,600	15.96%	\$10.00	\$12.00	Vic's Corn Popper Wild Bird Junction
Frederick Square SEC 84th & Frederick	3	1973	Coldwell Banker World Group Trenton Magid	189,988	64,843	34.13%	\$7.00	\$11.00	ShopKo
Galleria Plaza SWC 108th & O St	4	1984	Grubb & Ellis/Pacific Realty Terry Root	31,22	6,100	19.54%	\$12.00	N/A	Valentino's Pizza
Heritage Plaza NEC 76th & W Dodge Rd	3	1982	Lund Company: Jason Levy, Kurt Weeder, Scott Schneiderman	101,000	20,317	20.12%	\$13.00	N/A	Toys "R" Us
Hilltop Plaza 108th & W Center Rd	5	1988	Grubb & Ellis/Pacific Realty Terry Root	18,255	1,005	5.51%	\$14.00	N/A	Stars Dance Academy Bridal Traditions
Hy-Vee SWC 90th & W Center Rd	4	1999	Hy-Vee, Inc	72,218	0	0.00%	N/A	N/A	Hy-Vee
Kohl's SEC 72nd & Rose Blumkin Dr	4	1997	The Lerner Company Rick Quinlevan	82,798	0	0.00%	N/A	N/A	Kohl's
Kush's Plaza 72nd & L St	3	1961/2001	NAI/NP Dodge Chuck DeVetter	162,800	14,000	8.60%	\$3.00	\$15.00	Kush Furniture
Loveland Center NEC 90th & W Center Rd	4	1962	Slosburg Company TJ Twit	50,142	25,000	49.86%	\$12.00	N/A	Kelly's Carpet Omaha
Lowe's SEC 76th & W Dodge Rd	3	2001	Lowe's Home Center	138,789	0	0.00%	N/A	N/A	Lowe's

2008 Year End Review - Omaha Retail Market Summary

South Central Submarket

The recently renovated One Pacific Place continues to compete for lifestyle tenants and shoppers with Regency Court, Westroads Mall, and Village Pointe. In 2008, One Pacific Place lost one of its major tenants, Abercrombie and Fitch, to Westroads due to the Tenant's reaffirmed preference for the enclosed mall format. Meanwhile, Regency Court, a Lund Company and RED Development joint venture, continues to attract new retail concepts to the market and in 2008 became the local address for Anthropologie.

The former Wild Oats space joined the growing list of chronically vacant spaces in the market. Wild Oats Market Place was acquired by Whole Foods in 2007, at which time the company decided to close Wild Oats at 78th and Dodge Streets to give a boost to the much larger and underperforming Whole Foods at Regency Parkway and West Dodge Road.

The redevelopment of Aksarben Village on 67th & Center is beginning to take shape. Noddle Companies has nearly completed construction of its retail component in Zone 3, which lines the east side of 67th Street. The first tenants are now open for business and include Wohlner's Grocery, which sits on the northeast corner of 67th & Center, and Security National Bank on the corner of 64th Street. The remaining tenant mix throughout Zone 3 will include Paradise Bakery,

Godfather's Pizza, Juice Stop, LIV, Learning Headquarters, and additional restaurants and soft goods retailers.

Forecast for 2009

We will continue to see progress to the ongoing redevelopment of Aksarben, a 70-acre mixed-use project located on the south half of the land which was formerly Aksarben Racetrack and Coliseum. In total, the project will eventually include more than 350 apartments, 89 row houses, 134-room Marriott Courtyard hotel, a five-acre park, 750,000 square feet of office, and 250,000 square feet of retail space. Noddle Companies and Magnum Development Corp. continue to actively seek key tenants to fill the retail component of Aksarben Village. The balance of the project will be built out in phases over the next several years, although the majority of the retail space should be operational by 2010.

Magnum Development Corp, in a joint venture with McNeil Company Builders, unveiled their vision for the retail and entertainment component of Aksarben Village which they call Zone 5, or "The V". It is expected to serve as the community drawing power for the urban project, appealing to families during the day with more adult-oriented activities after 9:00 pm. The developers plan to break ground on the first of two buildings in 2009. The first building will consist of about 72,000 square feet and will feature a state of the art 10-screen all-digital

movie theater, which will also serve as a professional meeting place for teleconferences and presentations earlier in the day.

80 Dodge, a mixed-use development planned for the northeast corner of 80th and Dodge Streets, will move in a different direction. Rather than a 12-story mixed use and condominium project, the developers plan to build a 104 room hotel and two small retail buildings totaling 19,215 square feet.

A new development is planned for Loveland Plaza on the north side 90th & Center. Slosburg, the owner and developer, plans to complete this development in phases. The first of which will be a redevelopment of the existing shopping center on the northeast corner of 90th & Center with a new development proposed for the northwest corner which is targeted towards high end national retailers, as well as local service and specialty stores.

Although a major big box vacancy was absorbed when The Sports Authority leased the former Circuit City building on 72nd & Rose Blumkin Drive, the overall vacancy in the South Central submarket rose by more than 100,000 square feet over the last year. We will see a slowdown in new development in the upcoming year. Magnum's development at Zone 5 in Aksarben Village will likely be the only major new construction retail project to break ground in 2009. With so many retailers teetering on the brink of bankruptcy, it seems inevitable that the vacancy rate in this submarket will continue to rise over the next year.



2008 Year End Review - Omaha Retail Market Summary

South Central Submarket

Main Street Plaza 5405 S 72nd St	5	2006	Grubb & Ellis/Pacific Realty Terry Root	24,568	14,471	58.90%	\$14.75	N/A	Route 66, Winners Lounge
Mid City Plaza NEC 84th & G St	5	1986	NP Dodge Commercial Real Estate Jack Degan	16,240	0	0.00%	\$9.50	N/A	Fireplaces by Design
Nebraska Furniture Mart NWC 72nd & Rose Blumkin Dr	2	1965	Nebraska Furniture Mart	414,206	0	0.00%	N/A	N/A	Nebraska Furniture Mart Mrs. B's, Mega Mart
Oak Plaza NEC 84th & Spring Plaza	4	1977	CB Richard Ellis I MEGA Seth Campbell/Gerard Daly	33,000	7,267	22.02%	\$11.00	N/A	Goodwill, Hector's
One Pacific Place SWC 103th & Pacific St	4	1987	The Lerner Company Frank Barber/Boh Kurylo/Erin Pogge	91,537	16,89	18.45%	\$28.00	N/A	Banana Republic, Chico's California Pizza Kitchen, Sur La Table
Pacific Village SEC 78th & Pacific St	5	1966	Marcon Enterprises LLC Bernie Conwa	18,200	4,000	21.98%	\$16.00	N/A	Vincenzo's Ristorante
Peel's Park Drive 8430 Park Drive	4	1970	Seldin Companies Craig Forman	104,000	1,600	1.54%	\$22.00	N/A	Dollar General, Brewsky's Spaghetti Works
Peony Park NWC 78th & Cass St	4	1996	Dial Properties Matt McCombs	83,816	0	0.00%	N/A	N/A	Hy-Vee, Blockbuster
Petco, Fedex Kinko's NEC 72nd & W Dodge Rd	5	1978	Five Fifty Two Corp.	29,748	0	0.00%	N/A	N/A	Petco, Fedex Kinko's
Place 96 SEC 96th & L St	5	1974	Lund Company Jason Ruegg/Kurt Weeder	24,231	1,200	4.95%	\$10.50	N/A	Wells Fargo Bank
Plaza 72 NWC 72nd & Jones St	5	1979	Lund Company John Kerkhoff	15,503	3,420	22.06%	\$12.00	\$16.00	H&R Block, Trek
Regency Court Regency Pkwy & Regency Circle	3	1974	RED Development/Lund Company Wendy Chapman/John Lund	171,552	6,330	3.69%	\$35.00	N/A	Pottery Barn, Borsheims Williams & Sonoma, Anthropologie
Rockbrook Village SWC 108th & W Center Rd	3	1960/2006	Grubb & Ellis/Pacific Realty Cindi Cisar	187,148	5,100	2.73%	Undisclosed	Undisclosed	Great Harvest Bread Pasta Amore, Body Basics
Roxbury Plaza NWC 108th & Q St	4	1977	Investors Realty John Dickerson	31,104	6,480	20.83%	\$7.50	\$8.50	Club Roxbury
Shaker Place NEC 107th & Pacific St	4	1970	Investors Realty John Dickerson	36,035	1,00	2.78%	\$16.00	\$16.00	Naughty's Lounge
Shoppes at Aksarben Village SEC 72nd & Pacific St	4	2005	Grubb & Ellis/Pacific Realty Sue Hronek	58,000	0	0.00%	\$25.00	N/A	Bed Bath & Beyond
Spirit World Building SWC 75th & Pacific St	5	1986	The Lerner Company Ben Meier/Frank Barber	26,000	5,816	22.37%		\$12.00	Spirit World
Sports Authority NEC 72nd & Rose Blumkin Dr	4	1997	The Lerner Compan Rick Quinlevan/Boh Kurylo	42,685	0	0.00%	N/A	N/A	Sports Authority
Tower Plaza NEC 78th & W Dodge Rd	3	1998	First Management Inc Eric Wieseler	102,823	8,907	8.66%	\$15.00	N/A	Staples
Walgreens 8380 Harrison St	5	1999	Walgreen Co.	12,808	0	0.00%	N/A	N/A	Walgreens
Walgreens 8989 W Dodge Rd	5	2002	Village Development	14,462	0	0.00%	N/A	N/A	Walgreens
Walgreens 9001 W Center Rd	5	1998	Center 90 LLC	13,698	0	0.00%	N/A	N/A	Walgreens
Walgreens SWC 72nd & Cass St	5	2000	Walgreen Co.	15,048	0	0.00%	N/A	N/A	Walgreens
Wal-Mart Supercenter 72nd & Hickory	3	2008	Wal-Mart Stores, Inc	176,000	0	0.00%	N/A	N/A	Wal-Mart Supercenter
Westgate Plaza NEC 84th & Grover	3	1960	Roger's Construction Mike Rogers	104,000	0	0.00%	\$8.50	\$12.00	Mangelsen's/Farmhouse Hancock Fabrics
Westroads Mall NEC 102nd & W Dodge Rd	1	1968	General Growth Properties Jim Sadler	1,210,156	45,000	3.72%	\$10.00	\$60.00	Von Maur, Younkers, Rave JC Penney, Dick's Sporting Goods
Whole Foods Market 10020 Regency Cir	4	1979/2005	Beekman Street Partners c/o Slosburg Co.	54,868	0	0.00%	N/A	N/A	Whole Foods Market
Wild Oats Marketplace Sublease SWC 78th & W Dodge Rd	5	2000	Lund Company Jason Ruegg/Scott Schneiderman	20,171	20,113	99.71%	\$17.50	N/A	
South Central Submarket Totals				5,973,227	855,341	14.32%			
80 Dodge 225 N 80th St	5	2009	First Management Inc Randall Wieseler	20,000			\$22.00	N/A	
Aksarben Village - Investors NWC 63rd & Center	3	2009	Investors Realty Pat Regan/Dan Fishburn	170,000			N/A	N/A	TBD
South Central Construction Totals				190,000					

2008 Year End Review - Omaha Retail Market Summary East Submarket

This submarket includes an area bounded by the Washington/Douglas County line on the north, Harrison Street on the south, the Missouri River on the east and 52nd Street on the west. The East Submarket is a mature area that has virtually no previously undeveloped ground. Any new development consists of projects constructed on land reclaimed from older and obsolete properties that have been razed or the redevelopment of existing structures. With the limited amount of new retail development and the existing inventory of available space being predominantly second generation, the prevailing rental rates tend to be quite moderate.

Developers assessing the area for retail and service business expansion can find very attractive numbers in the daytime population demographics. With 5,818 businesses and 133,459 employees inhabiting the East submarket, locating the right development or target business within reach of this group could prove fruitful.

The Lerner Company surveyed 28 retail properties totaling over 1.6 million square feet of space. The vacancy rate of 17.85% reflects a 2% improvement over the 2007 vacancy rate. The total square footage of vacancy for 2008 was 288,696 as opposed to 312,289 square feet in 2007. While new leasing activity was measured, the turnover rate of existing tenants was relatively low and the submarket managed to absorb an additional 38,726 square feet of space.

The north downtown (NODO) sector of the market has continued to see a significant amount of commercial development during the past year, especially in the hotel segment. However, new retail development has been limited and remains an area of controversy. Groups who have a vested interest in the area are pushing hard for more retail, while developers are taking a wait and see attitude. Until residential densities increase significantly in the immediate downtown and NODO areas, retail development will be slow and limited. That being said, American Apparel opened a retail store in the Saddle Creek Records building during the third quarter of 2008. The new \$121 million ballpark will break ground in January 2009 and will be constructed on one of the parking lots of the Qwest Center property. The new stadium will become the permanent home to the College World Series beginning in 2011 and should spur further interest in the area for development.

Destination Midtown is a collaborative effort among neighborhood associations, businesses, public and private institutions, Omaha city government and the Greater Omaha Chamber of Commerce that seeks to raise the quality of life, promote economic development and revitalize a major central geographic area of the city. The targeted area is bordered by Cuming Street on the north, Center Street on the south, 24th Street on the east and Saddle Creek Road on the west.

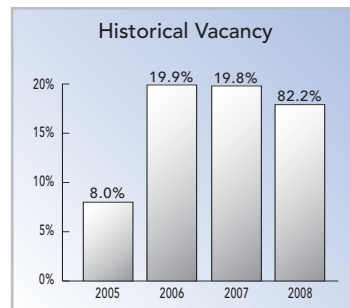
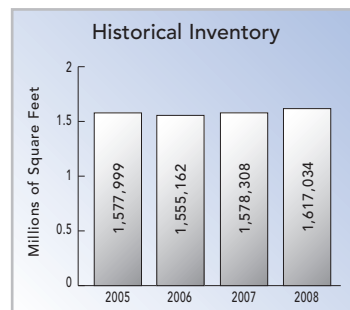
Mutual of Omaha's Midtown Crossing project is at the heart of the Destination Midtown initiative. This project is a \$300 million, 1 million square foot mixed-use urban development with approximately 225,000 square feet of retail space, 500 residential units, all served with approximately 3,000 parking stalls. This ambitious project is on target for a Fall 2009 opening. Anchor tenants that have been announced include a 31,000 square foot Prairie Life fitness center and a 1,000 seat 5-screen Marcus Theater. Westin's Element Hotel has also committed to construct its newest extended stay hotel concept. The 132-room hotel will feature inspiring public spaces, modern style and eco-friendly design.

Forecast for 2009

In spite of challenging times regarding development and expansion in the retail sector, we can look for a concerted push from those behind the various redevelopment initiatives in the East Submarket to pursue projects and investors, both public and private, to support their specific endeavors.

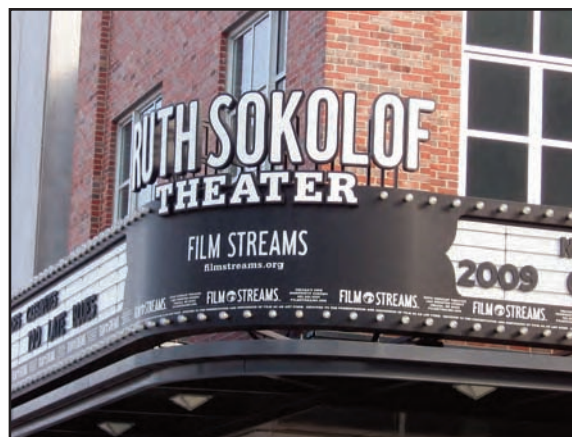
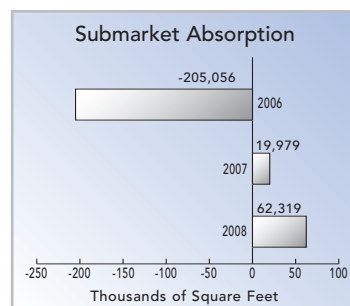
At the top of the list of areas that should garner the preponderance of investment dollars will be NODO. The new \$121 million baseball stadium, several new hotels, the Qwest Center and the Saddle Creek Records retail development have already set the tone for quality development with a strong public draw and the potential to build upon its initial success with continued expansion.

The other core areas of the East submarket, which includes Saddle Creek, Midtown, Florence and South Omaha, will more than likely see a limited and cautious infusion of retail development money due to the prevailing climate surrounding the overall market.



East Submarket by Size

Size	Centers	GLA	% Vacant
Cat. 1	0	0	0.00%
Cat. 2	0	0	0.00%
Cat. 3	7	834,662	26.44%
Cat. 4	11	618,318	8.75%
Cat. 5	10	164,054	8.51%



2008 Year End Review - Omaha Retail Market Summary East Central Submarket

Center Name	Size	Year Opened	Leasing Co	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
360 N Saddlecreek Road	3	1968/2004	CB Richard Ellis/MEGA	119,330	119,330	100.00%	\$12.00	N/A	TBD
SSWC Capitol Ave & Saddle Creek Rd			Nancy K. Johnson						
48th Street Square	4	1999	The Lund Company: Jason Levy	32,654	1,400	4.29%	\$13.00	N/A	Buffalo Wild Wings
SWC 48th & L St			Scott Scheiderman, Eric Renner						H&R Block, Dollar General
Auto Zone	5	1999	Marathon Realty	15,601	0	0.00%	N/A	N/A	Auto Zone
NEC 50th & W Center Rd									
Baker Place	3	1965/1987	The Lerner Company	116,950	73,821	63.12%	\$7.50	\$12.50	Family Dollar
NWC 50th & Ames Ave			Rick Quinlevan/Erin Pogge						
Baker's	4	1989	Dillon Stores	63,632	0	0.00%	N/A	N/A	Baker's
SWC Saddle Creek Rd & Leavenworth									
Big Kmart Plaza	3	1967	Seldin Company	121,977	0	0.00%	N/A	N/A	Kmart
NWC 50th & L St			Deb Graeve/Dan Dutton						
Grover Plaza	4	1966	Albert Feldmen	57,440	0	0.00%	N/A	N/A	Bag 'n Save
SWC 50th & Grover									
Hy-Vee	4	2004	Hy-Vee, Inc.	65,732	0	0.00%	N/A	N/A	Hy-Vee
NEC 52nd & W Center Rd									
Long School Marketplace	4	2005	Omaha Economic Dev. Corp	23,000	0	0.00%	N/A	N/A	Family Dollar
24th & Hamilton			Michael Maroney						
Midtown Plaza	3	1991	First Management LLC	105,000	1,705	1.62%	\$15.00	N/A	No Frills Supermarket
NEC Saddle Creek Rd & California			Randall Wieseler						
No Frills Supermarket	4	1981	The Lerner Company	39,512	0	0.00%	N/A	N/A	No Frills Supermarket
NEC 36th & Q St			Rick Quinlevan						
Old Market Lofts	5	1910/200	Grubb & Ellis Pacific Realty	36,700	13,958	38.03%	\$11.00		Nomad Lounge
10th & Jones St			Cindi Cisar/Pam Beardslee						
Plaza Q 36	4	1971	Gordman Properties	84,000	0	0.00%	N/A	N/A	Thrift World, Alps Foods
NEC 36th & Q St			Deborah Smith						
Spring Valley	3	1990	The Lerner Company	115,166	6,400	5.56%	\$10.00	\$12.50	No Frills Supermarket
SWC 50th & F St			Rick Quinlevan						West Lake Hardware
Stockyards Plaza	3	1990	Perkins Properties	135,959	2,122	1.56%	\$14.00		Hy-Vee
SEC 36th & L St			Erin Pogge						
Sutherlands Plaza	4	2007	Murante Real Estate	74,000	14,000	18.92%	\$8.00	\$12.00	Aldi Foods, Dollar Tree
NEC Dahlman Ave & L St			Bob Pelshaw						
The Pavilion at the Brandeis	4	1894/2006	Grubb & Ellis Pacific Realty	50,000	32,988	65.98%	\$13.00	\$26.00	
16th & Douglas			Sue Hronek/Pam Beardslee						
Vinton Square	4	1981	The Lerner Company	96,757	5,692	5.88%	\$12.50	\$14.00	No Frills Supermarket
NWC 24th & Vinton			Rick Quinlevan/Erin Pogge						
Walgreens	5	1999	BDRE L Street LLC	13,905	0	0.00%	N/A	N/A	Walgreens
2323 L St									
Walgreens	5	1999	BDRE Lake LLC	13,776	0	0.00%	N/A	N/A	Walgreens
3005 Lake St									
Walgreens	5	2003	Clayton Properties II LLC	13,578	0	0.00%	N/A	N/A	Walgreens
225 N Saddle Creek Rd									
Walgreens	5	2002	DAHO LLC	14,530	0	0.00%	N/A	N/A	Walgreens
4310 Ames Ave									
Walgreens	5	1995	Marathon Properties LLC	13,404	0	0.00%	N/A	N/A	Walgreens
7202 North 30th St									
Walgreens	5	2002	Twenty Three Hundred	14,530	0	0.00%	N/A	N/A	Walgreens
3121 South 24th St									
Walgreens	5	2004	Walgreen Co.	13,500	0	0.00%	N/A	N/A	Walgreens
5038 W Center St									
Walgreens	5	2002	WG Omaha Realty LLC	14,530	0	0.00%	N/A	N/A	Walgreens
3001 Dodge St									
Wallcreek Plaza	4	1968	Grubb & Ellis Pacific Realty	31,591	0	0.00%	N/A	N/A	Westlake Ace Hardware
SSWC Capitol Ave & Saddle Creek Rd			Mike Weise						Panera Bread, Cici's Pizza
Weber Place	3	1988	The Lerner Company	120,280	17,280	14.37%	\$9.00	\$12.50	No Frills Supermarket
SWC 30th & Forest Lawn Ave			Boh Kurylo/Dennis Thaemert						Dollar Tree
East Submarket Totals				1,617,034	288,696	17.85%			
Midtown Crossing	3	2009	CB Richard Ellis I MEGA	225,000			\$25.00	\$35.00	Prairie Life, Marcus Theatre
33rd & Dodge			Nancy K Johnson						Westin's Element' Hotel
East Construction Totals				225,000					

2008 Year End Review - Omaha Retail Market Summary

Sarpy Submarket

This submarket includes an area bounded by Harrison Street on the north, Platteview Road on the south, the Missouri River on the east, and Interstate 80 on the west. Many retailers are attracted to this area due to the actual and anticipated strong residential growth in the submarket.

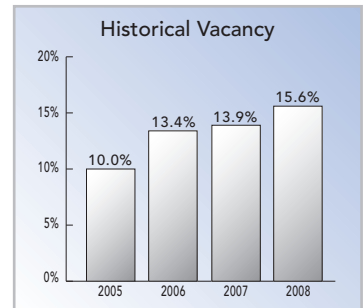
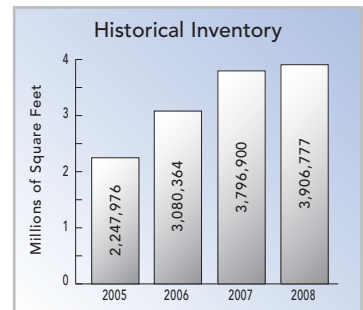
The Lerner Company surveyed 37 retail properties in the submarket totaling just over 3.9 million square feet. The vacancy rate of 15.64% represents 610,920 square feet, which is an increase from the previous year's vacancy rate of 13.85%. However, to properly characterize the increase in the vacancy rate it's important to note there was approximately 110,000 square feet of new space added to the trade area. Given the current economic environment, any additional square footage added to the trade area was bound to result in a magnification of the vacancy rate. The greatest concentration of vacancies in the Sarpy Submarket are found surrounding the intersection of 84th & Giles, most notably the still vacant former Wal Mart, the former Baker's grocery store, and the former Steve & Barry's. Given the current vacancy levels, rental rates have in most instances retreated. For new unanchored small shops, the rental rate ranges from \$11.00 to \$16.50 per square foot. Anchored small shops attract higher rents, which range from \$13.00 to \$38.00 per square foot. A population of 115,463 within the submarket is estimated to continue growing at a rate of 1.9% annually over the next five years. The median household income in the Sarpy Submarket is \$67,783 per year, which is nearly 8% higher than the MSA's median household income level.

As mentioned above, there has been additional retail space added to the Sarpy Submarket but much of it has come in the form of unanchored, neighborhood strip centers. Still making the headlines for the entire submarket is Shadow Lake Towne Center, a 875,000 square foot open-air, power/lifestyle hybrid, located at 72nd and Highway 370. Shadow Lake has achieved a level of success rarely experienced this day and age. The support from the community is directly reflected in the successful performance of Shadow Lake's retailers. With the presence of Shadow Lake at the south end of 72nd Street and Market Pointe, with its combination of Kohl's, Super Wal Mart, and Lowe's at the north

end of 72nd Street, the shifting of retail from 84th Street to 72nd Street is nearly complete. To remove any doubt about the prominence of 72nd Street in the Sarpy Submarket, Settler's Creek, a 200,000 square foot retail center will be located on the northeast corner of 72nd & Cornhusker. Upon the completion of Settler's Creek, currently estimated for the fall of 2010, the 72nd Street corridor will be positioned as the primary retail corridor in the Sarpy Submarket for decades to come. Another area to keep an eye on is the continued commercial expansion of 126th Street and I-80. Initially pioneered by Cabela's, the area has since been the recipient of both commercial office and hospitality centers. Continued commercial development in the area will begin to garner the attention of additional retail, restaurant, and entertainment oriented venues.

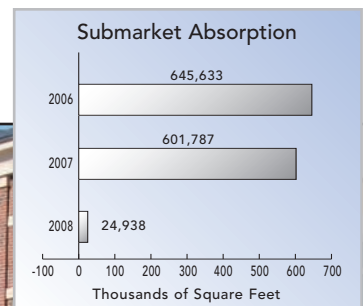
Forecast for 2009

The Sarpy Submarket has been speeding along the last few years, but it appears this upcoming year will bring a slowdown in development. Although activity will continue to slow, the momentum generated by major area employers like Offutt AFB, Lockheed Martin, PayPal, Northrop Grumman, Securities America, and the newly announced Yahoo facility will keep the submarket from coming to a standstill. Retail development and expansion will be limited to just a few projects with Settler's Creek providing the greatest potential for retail momentum.



Sarpy Submarket by Size

Size	Centers	GLA	% Vacant
Cat. 1	0	0	0.00%
Cat. 2	3	1,457,686	3.300%
Cat. 3	8	1,446,099	28.74%
Cat. 4	13	732,052	10.86%
Cat. 5	13	270,940	25.01%



2008 Year End Review - Omaha Retail Market Summary

Sarpy Submarket

Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
2200 Capehart Rd SWC 22nd & Capehart Rd	5	2006	NP Dodge Commercial Tom Failla/Chuck Devetter	18,312	18,312	100.00%	\$15.50	\$16.50	Scooters
25th Place 25th & Ponderosa Dr	5	1986	Investors Realty Brian Kuehl/Brian Farrell	22,000	4,500	20.45%	\$10.00		Martial Arts International
American Plaza NEC Galvin Rd & Harvell Dr	3	1986	The Lerner Company Boh Kurylo/Dennis Thaemert	171,000	16,440	9.61%	\$6.50	\$11.00	Baker's, ShopKo
Bag 'n Save SEC 51st & Harrison St	4	1966	Bag 'n Save	44,490	0	0.00%	N/A	N/A	Bag 'n Save
Brentwood Crossing NEC 84th & Brentwood Dr	3	1993	TKG Management Jim Alabach	233,885	157,821	67.48%	\$13.00	\$15.00	Hobby Lobby
Brentwood Plaza NWC 84th & Brentwood Dr	5	1980	Lund Company Eric Renner/Steve Gettman	17,317	9,141	52.79%	\$9.00	N/A	Just Hair
Brentwood Square NWC 84th & Giles Rd	3	1980	First Management Inc Randall Wieseler	224,187	121,493	54.19%	\$11.00	\$11.00	Office Depot, Dollar Tree
Brentwood Village NEC 84th & Giles Rd	4	1997	Coldwell Banker World Group Ryan Blumkin	37,000	11,285	30.50%	\$9.50	\$12.00	Fazolis, Bank of the West Taco Bell, Beauty First
Cabela's SWC126th & I-80	3	2006	CB Richard Ellis I MEGA Dean Hokanson Sr	127,876	0	0.00%	N/A	N/A	
Capehart Square 25th & Capehart	5	1990	Investors Realty Brian Kuehl/ Brian Farrell	26,000	5,500	21.15%	\$11.00	\$12.00	Ashley Lynn's
Cornhusker Centre SEC 21st & Cornhusker Rd	3	2000	Dial Properties John Hrupek	175,180	0	0.00%			Famous Dave's Sylvan Learning Center
Cornhusker Plaza NEC 25th & Cornhusker Rd	4	1988	West 25th Plaza Inc Ed Gilbert	34,913	2,000	5.73%	\$11.00	\$11.00	Subway, DJ's Dugout
Emporium Plaza NEC Galvin Rd & JF Kennedy Dr	5	1975	James T Smith	17,960	3,000	16.70%	\$7.75	\$10.00	Jammer's Pub Beneficial Financial
Fareway Foods SWC 73rd Plz & Giles Rd	5	2004	Fareway Stores Inc	24,484	0	0.00%	N/A	N/A	Fareway Foods
Freeman Plaza SEC Galvin Rd & Harvell Dr	4	1973	Freeman Co Jeannette Zeleny	42,000	6,500	15.48%	\$8.00	\$12.00	Westlake Ace Hardware Wells Fargo Bank
Harrison Square SEC 36th & Harrison St	4	1972	Lund Company Kurt Weeder	76,015	17,040	22.42%	\$6.00	\$9.00	Dollar General, Walgreens
Harrison Square SWC 39th & Harrison St	5	1958	Grubb & Ellis/Pacific Realty Terry Root	26,500	1,250	4.72%	\$8.50	N/A	Bellevue Keno Casino
Home Depot SWC 6th & Washington St	4	2002	Home Depot	97,649	0	0.00%	N/A	N/A	Home Depot
La Vista Crossing 7202 Giles	5	2005	Investors Realty Pat Regan/Dan Fishburn	16,215	1,750	10.79%	\$20.00		
Market Pointe SEC 72nd & Giles	2	2006	CB Richard Ellis I MEGA Nancy Johnson	452,500	4,800	1.06%	\$23.00		Wal-Mart Supercenter Lowe's, Kohl's"
No Frills Plaza NEC Wilshire Ln & Hwy 370	3	1972	Grubb & Ellis/Pacific Realty Bill Gilmore/Sue Hronek	146,178	19,834	13.57%	\$7.00	N/A	No Frills Supermarket
No Frills Supermarket SWC 84th & Giles Rd	4	1980	CB Richard Ellis I MEGA Gerard Daly/Dennis Hoth	87,571	0	0.00%	\$12.00	N/A	No Frills Supermarket
One Val Verde Place SWC 96th & Giles Rd	4	1999	CB Richard Ellis/Mega Heidi Rush/Sue Chastain	38,596	11,838	30.67%	\$11.00	N/A	Val Verde Animal Hospital Remax, JB Salon
Papio Pointe 741 Pinnacle Dr	5	2004	Metro Engineering John Chudy	23,650	17,071	72.18%	\$10.00	N/A	Scooters
Place 72 72nd & Harrison St	5	1986	Lund Company Eric Renner	27,550	2,400	8.71%	\$12.50	N/A	State Farm Insurance Harrison Street Animal Hospital
Shadow Lake Towne Center SWC 72nd & Hwy 370	2	2007	The Lerner Company/RED Devel. Rick Quinlevan/Wendy Chapman	689,573	43,262	6.27%	\$28.00	\$38.00	Best Buy, PetsMart, HyVee, Dicks Borders, JC Penney, Gordmans
Southroads Mall SEC Fort Crook & Childs Rd	3	1984	Gordman Properties Deborah Smith	167,000	100,000	59.88%	\$6.00	N/A	No Frills Supermarket
Star Park NEC 36th & Chandler Rd	5	2004	Coldwell Banker World Group Nancy Klauschie	19,500	4,843	24.84%	\$8.00	\$10.00	Cash Advance
Super Target NWC Washington & Hogan Dr	3	1996	Target Stores	200,793	0	0.00%	N/A	N/A	Super Target
Tara Plaza NEC Washington St & Hogan Dr	4	1968/1987	Hogan Real Estate Company Michael J. Hogan	95,312	14,700	15.42%	\$9.95	\$14.95	24 Hour Fitness Dollar General
The Shops at Daniell Crossing NEC 36th & Hwy 370	4	2002	LS Realty Mark Lamb	28,800	6,500	22.57%	\$15.00		Texture Salon, Ferguson Enterprises Beijing Tokyo, Snap Fitness
Twin Creek (Bld 1,2,4,6, & 7) NWC 36th & Hwy 370	4	1998-2003	CB Richard Ellis/Mega Mark Obermeyer/Heidi Rush	41,706	3,000	7.19%	\$13.50	\$15.25	Target, Baker's
Twin Creek Cinema 3909 Raynor Parkway	4	2003	Marcus Theaters	75,000	0	0.00%	N/A	N/A	Twin Creek Cinema
Walgreens SWC Galvin Rd & Hwy 370	5	1995	Walgreen Co.	16,528	0	0.00%	N/A	N/A	Walgreens
Walgreens SEC Hwy 370 & 96th	5	2008	Village Development	14,924	0	0.00%	N/A	N/A	Walgreens
Walnut Creek Village 96th & Hwy 370	4	2007	First Management Inc Eric Wieseler	33,000	6,640	20.12%	\$15.00	N/A	LaPetite Academy, Jensen Tire Anytime Fitness, Pizza Hut
Wolf Creek Plaza SEC 15th & Cornhusker Rd	2	2004	Hogan Real Estate Company Michael J. Hogan	315,613	0	0.00%	\$19.00	N/A	Michaels, Gordmans Wal-Mart Supercenter, Petco
Sarpy Submarket Totals				3,906,777	610,920	15.64%			
Shoppes at Hickory Hills SWC 72nd & Giles	5	2009	The Raffel Group LLC Adam Raffel	19,218			\$21.00	N/A	
Sarpy Construction Totals				19,218					

2008 Year End Review - Omaha Retail Market Summary Council Bluffs Submarket

This submarket is comprised of the western half of Pottawattamie County, Iowa. While the casino trade on balance continues to have a positive influence on Council Bluffs, population growth in this submarket remains relatively low at only 0.3% per year and the median household income of \$51,683 is well below the overall Omaha market average of \$63,809.

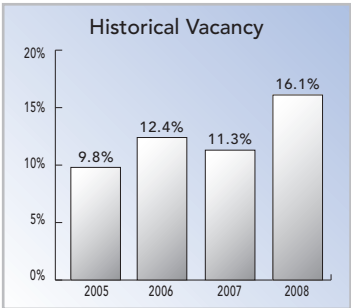
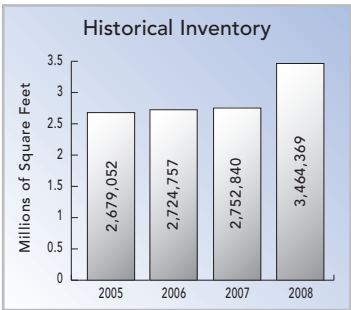
The retail market in Council Bluffs has undergone a tremendous transition during the past 18 months. This submarket has long been considered underserved, especially with regard to the lack of penetration by junior box retailers. However, two new power centers, Kimco's Metro Crossing and Magnum's 24th Street Marketplace, collectively added over 700,000 square feet of new retail space to the Council Bluffs market during 2008. As a result, several retailers recently entered Council Bluffs for the first time, including Kohl's, Shopko, Bed Bath & Beyond, Hobby Lobby, Shoe Carnival, PetSmart and Petco.

The Lerner Company surveyed 24 retail properties within the Council Bluffs submarket, which now contains in excess of 3.4 million square feet, an increase of 25% in a single year. The vacancy rate of 16.1% has also increased dramatically from last year's rate of 11.3%. Much of the new vacancy can be found in Mall of the Bluffs, which

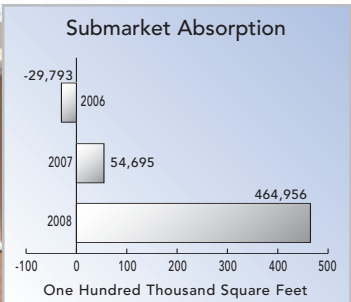
has been negatively impacted by the development of the two new power centers mentioned above. Things don't get easier for Mall of the Bluffs during the coming year as Target plans to relocate to Metro Crossing in March and the overall mall vacancy rate could exceed 50% by mid-Summer. Prevailing rents in non-mall small shops vary dramatically ranging from \$10 - \$12 for existing properties to \$20 - \$25 for new shops in the power centers at Metro Crossing and 24th Street Marketplace.

Forecast for 2009

The Council Bluffs submarket managed to absorb in excess of 465,000 square feet of retail space during 2008. Given the limited population within the trade area, one might expect that retail sales per square foot will take a precipitous drop during 2009, and that vacancy rates will continue to increase as retailers struggle to adjust to the new environment. Nonetheless, Kimco and Magnum will seek to expand their new footprints at Metro Crossing and 24th Street Marketplace respectively, and both will likely concentrate their prospecting efforts in the unsettled corridors of Mall of the Bluffs. General Growth faces a monumental task in trying to turn around the fortunes of their mall, especially during this troubled period in the overall retail environment.



Council Bluffs Submarket by Size			
Size	Centers	GLA	% Vacant
Cat. 1	1	0	0.00%
Cat. 2	3	311,330	20.95%
Cat. 3	4	118,622	21.16%
Cat. 4	10	123,244	24.29%
Cat. 5	6	5,355	5.06%



2008 Year End Review - Omaha Retail Market Summary

Council Bluffs Submarket

Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA	Vacancy	% Vacant	Rate 1	Rate 2	Anchor
3415 W. Broadway SEC 34th & Broadway	4	1968	Heartland Properties John Jerkovich	47,000	17,420	37.06%	\$4.95	N/A	Family Dollar, Payless Shoes
AutoZone Plaza SEC 28th & W Broadway	4	1955	P J Morgan Real Estate Don Boldizar	43,677	28,412	65.05%	For Sale	N/A	AutoZone
Bass Pro Shops 2911 27th Ave	3	2005	Bass Pro Shops	120,000	0	0.00%	N/A	N/A	Bass Pro Shops
Bluffs Northway SWC Nash Blvd & Hwy 192	3	1978/2000	Gordman Properties Deborah Smith	186,418	115,422	61.92%	\$8.00	\$10.00	Dollar General, Hy-Vee
Bluffs Plaza NEC N Broadway & Kanesville Blvd	3	1970	TKG Management Jim Alabach	104,640	0	0.00%	N/A	N/A	Supersaver Hancock Fabrics
Broadway Plaza NWC 18th & W Broadway	4	1991	Grubb & Ellis/Pacific Realty Bill Gilmore/Mark Robinson	35,000	0	0.00%	\$12.00	N/A	Family Dollar, Blockbuster
Fareway Foods NWC McKenzie & Kanesville Blvd	5	2006	Fareway Stores Inc.	24,426	0	0.00%	N/A	N/A	Fareway Foods
Mall of the Bluffs NEC Madison Ave & Bennett Ave	2	1986	General Growth Properties Lyle Karr/Steve Brower	704,616	254,820	36.16%	\$15.00	\$70.00	Target, Dillards, Hy-Vee Barnes & Noble, Sears
Manawa Power Center SEC 30th Ave & Dial Rd	1	1995	Dial Properties Matt McCombs	804,909	0	0.00%			OfficeMax, Home Depot, Best Buy Toys "R" Us, Menards, Gordmans Wal-Mart, Sam's Club
Manawa Power Center SEC 35th Ave & Power Drive	5	2004	Coldwell Banker World Group John Luce	17,955	5,355	29.82%	\$14.00	N/A	Rentway Complete Nutrition
Metro Crossing I-29 & Hwy 92/275	2	2007	The Lerner Company Boh Kurylo/Ben Meier	551,376	36,385	6.60%	\$13.00	\$23.00	Target, Kohl's, Bed Bath & Beyond PetSmart, Famous Footwear, Hobby Lobby, Buffalo Wild Wings
No Frills Supermarket NEC Vally View Ln & Madison Ave	4	1992	No Frills Supermarket Steve Moskovits	63,228	0	0.00%	N/A	N/A	No Frills Supermarket
No Frills Supermarket SWC 18th & W Broadway	4	1976	No Frills Supermarket Steve Moskovits	48,836	0	0.00%	N/A	N/A	No Frills Supermarket
Ogden Place 201-295 W Broadway	5	1977	Heartland Properties Scott Belt	19,675	0	0.00%	N/A	N/A	Union Pharmacy
Plaza at Mid-America Center WSWC 23rd Ave & 24th St	4	2004	NAI/NP Dodge Tom Failla/Chuck Devetter	72,500	59,000	81.38%	\$14.00	N/A	Famous Dave's
Sherwood Plaza SEC Sherwood Dr & Kanesville Blvd	3	1980	Kathol Property Co Cliff Kathol	149,510	3,200	2.14%	\$10.00	N/A	Big Kmart, Bomgaars
Shoppes of Madison Ave SEC Madison Ave & Rue St	4	1978	Investors Realty Pat Regan/Dan Fishburn	36,960	14,412	38.99%	\$10.50	\$13.50	Midstate Bank
Star Cinema 3220 23rd Ave	4	2002	Star Iowa LLC	76,570	0	0.00%	N/A	N/A	Star Cinema
Sundel Plaza SWC 22nd & W Broadway	4	1975	Sundel Co Mina Anderson	35,000	4,000	11.43%	\$10.00	\$12.00	U.S. Cellular Old Home Bakery
The Marketplace at 24th Street I-80/I-29 & 24th St	2	2008	Investors Realty Pat Regan/Dan Fishburn	229,750	20,12	8.76%	\$18.00	\$22.00	JCPenney, Shopko, Petco
Walgreens 535 E Broadway	5	1997	Broadway East Properties LLC	13,833	0	0.00%	N/A	N/A	Walgreens
Walgreens 301 W Bennet Ave	5	2001	Starlight Motor Lodge LLC	14,368	0	0.00%	N/A	N/A	Walgreens
Walgreens NWC 25th & W Broadway	5	1997	Walgreen Co.	15,608	0	0.00%	N/A	N/A	Walgreens
Westlake Hardware, Hy-Vee Drug SEC Kanesville Blvd & 8th St	4	1980	721 Broadway, LLC	48,514	0	0.00%	N/A	N/A	Westlake Ace Hardware Hy-Vee Drug Town
COUNCIL BLUFFS SUBMARKET TOTALS				3,464,369	558,551	16.12%			
HyVee Plaza SEC 25th & Broadway	4	2009	Seldin Companies Deb Graeve/Dan Dutton	92,000					HyVee
The Marketplace @ 24th Street I-80/I-29 & 24th St (Phase II)	3	2009	Investors Realty Pat Regan/Dan Fishburn	160,250			\$18.00	\$22.00	TBD
COUNCIL BLUFFS CONSTRUCTION TOTALS				252,250					

Omaha Retail Market Summary - Year End 2008

At The Lerner Company we are dedicated to one goal - providing our clients with the best talent and resources available to satisfy their needs and achieve their objectives. Our dedicated professionals have over 120 years of combined experience, either in retail or real estate.

We do not envision ourselves as Brokers. We see ourselves as Advisors, offering strategic advice and guidance, always placing our clients' needs before our own. Our team of qualified professionals is just that - a TEAM. Our team building and team approach to serving clients is not only encouraged, but also rewarded. Coming to work

every day at The Lerner Company is a pleasure, not a contest.

We encourage you to take advantage of our team experience in development, financing, law, management, strategic planning, research, retailing or tenant representation. We pledge to be innovative and create value for your benefit and the benefit of our community.

We would further like to thank those of you who have built relationships with the Lerner Team over the years. We truly appreciate the trust and confidence you have bestowed upon us.

