



*Pier 1
Shadowlake Town Center*



*Walmart
Neighborhood Market*



*Brix
Midtown Crossing*

Omaha, Nebraska Retail Market Summary Year End 2012

The Lerner Company
BROKERAGE DEVELOPMENT MANAGEMENT



*Kirkland's
L-Street Marketplace*



*LuLuLemon
Village Pointe*



*Natural Grocers
Legacy Court*



Omaha, Nebraska

Retail Market Summary - Year End 2012

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

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

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

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

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

Size 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 View

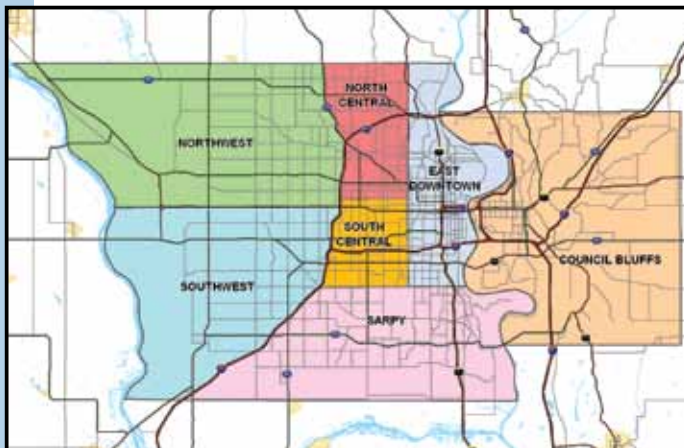
In many ways the year 2012 felt much like the last several years with respect to the performance of the overall economy. While it has now been 3 and ½ years since the end of the deep 2008-2009 recession, the climb back has been uneven and slow by historical comparison with other recent U.S. recoveries. Additionally, much of the background noise has been unsettling and familiar. There still continues to be serious risks posed to the world economy by the Eurozone's inability to deal with its staggering debt problems, as well as the political gridlock in Washington that is preventing corrective measures from being implemented with regard to our own structural deficit and mounting debt. U.S. businesses and individuals alike have faced much uncertainty over the future direction of tax policies and unknown future costs of implementing the new Federal healthcare legislation. The media coverage of the highly-partisan rancoring in Congress and the seemingly endless 2012 presidential election were particularly painful to watch and contributed to the unsettled environment. However, despite all of these negative influences, it seems that the U.S. economy is performing relatively well compared to most of the rest of the world, and could perhaps be poised for a period of decent growth. Consumer sentiment and consumer spending have both been trending in a positive direction during the second half of 2012. Yes, unemployment remains high and is a problem, but job growth has picked up noticeably as the year has progressed. Perhaps most importantly, the single family housing market, which led us into the last recession, has finally and certainly hit bottom. At year-end most metro U.S. markets are at least showing minimal price appreciation and several of the worst hit markets are experiencing substantial increases. As has been the case for quite some time, U.S. businesses generally have very healthy balance sheets and are capable of investing in new plant and equipment and adding employees should business conditions warrant.

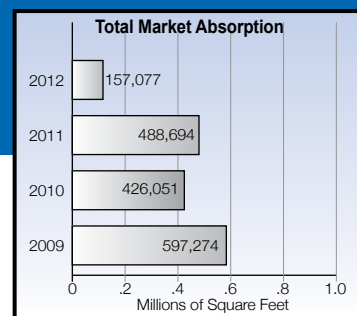
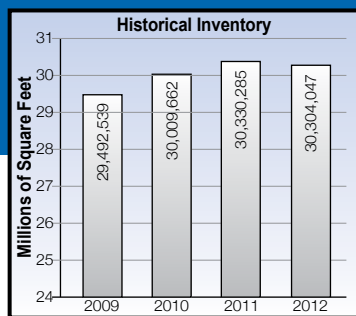
Many retail chains are performing very well in the current environment, although several retail categories remain stressed, most noticeably the consumer electronics and office supply segments. As has been the trend for a considerable period, the best performers are at both the luxury and discount ends of the spectrum, while mid-price point concepts have struggled due both to the frugal habits adopted by the consumer during the recession

and the encroachment of e-commerce. While bifurcation (to the low and high end) has been a dominant characteristic of retail for years now, it became quite visible in the grocery segment during the past year as Walmart announced plans to have over 500 of its Neighborhood Market stores (average size of only 40,000 square feet) open within three years in an effort to provide convenient access to many customers that today cannot easily shop at its much larger superstores. With smaller specialty grocers such as Whole Foods, Fresh Market and Sprouts applying pressure from the high end and Walmart dramatically increasing its presence on the low end, the 55,000 to 70,000 square foot traditional supermarkets in the middle will be fighting over a shrinking market and many underperforming stores will be forced to close during the next several years. Another interesting development during the past year has been the chaos within JC Penney, the traditional old-line department store chain which operates more than 1,100 stores in the United States. JC Penney anchors many of the nation's enclosed shopping malls and is often the only department store to be found within small town markets. Under new CEO Ron Johnson (formerly of Target and Apple), JC Penney's "fair and square" campaign was launched in early 2012, which slashed everyday prices on all items in its stores, but totally discontinued the periodic promotions and coupons that in the past had driven most of their revenue. The result of this change in pricing strategy has been a disaster, with comparable store for store sales declines approaching 30% and many experts fear JCP is headed for bankruptcy, which at a minimum could mean the closing of hundreds of stores across the country.

On the property level, the retail property market continued its gradual recovery in 2012, as approximately 58 million square feet was absorbed and the national vacancy rate was estimated to have decreased by 30 basis points, admittedly a bit less than the 75 basis point decline we had predicted this time last year. Still, 2012 was the third year in a row where net space absorption exceeded new supply coming on the market. During 2012, less than 32 million square feet of new space was delivered, which was the smallest addition in more than 40 years. Despite the limited new supply and decreasing vacancy, limited pressure on rents was exhibited as effective rents nationwide grew less than 1 percent. New construction is expected to rebound somewhat during 2013, when as much as 50 million square feet is expected to be added to the market - still a small number compared to pre-recession space additions. Despite the uptick in new construction, we expect a strengthening economy and a further decline in the vacancy rates of 80 basis points during the coming year as well as increasing rent power for Landlord's in most, if not all, U.S. markets.

In summary, the national retail real estate market continued its gradual recovery in 2012 from the shock of the recession of 2008-2009. The strength of the U.S. economy has been limited somewhat by various negative forces during the past year (political and otherwise). Now that the vital single family residential market appears to be in recovery mode, we see potential for a strong bounce in 2013 and beyond. Two preconditions for our rather rosy forecast for the national market are the avoidance of a serious financial unraveling in Europe and the occurrence of a political compromise in Washington that demonstrates at least some progress toward solving our own structural fiscal problems.





The Omaha Market

The condition of the Omaha retail market does not look nearly as good as that of the national market. Vacancy improved somewhat here during 2012, due almost solely to the dearth of new construction. In fact, during the last year, not a single new retail building in excess of 15,000 square feet opened for business throughout the entire Metro area. However, the rate of absorption was incredibly low in 2012 at only 157,000 square feet, roughly one third of the historically low levels of absorption recorded in both 2010 and 2011. Even though the vacancy rate declined somewhat during the past year, the overall Omaha market must still be considered overbuilt by any standard, given the anemic current rate of absorption.

The following survey compiled by The Lerner Company closely evaluates a total of 341 retail properties containing over 30.3 million square feet of retail space, and is the most comprehensive report undertaken by any source as to the current state of the Omaha retail market. During 2012, the size of our market actually contracted slightly, as no new space was added and one building previously surveyed was demolished to make way for new construction in 2013. The minimal absorption that occurred allowed the vacancy rate to decline to 12.3%, representing slightly more than 3.7 million square feet of vacant space. At the current low rate of absorption, and without accounting for any new construction, the existing vacancy represents 286 months of supply, up from the 96 month supply reported last year. Consistent with 2011, the lowest level of vacancy was found in the Northwest submarket, which exhibited a vacancy rate of only 6.7%. A notable improvement in vacancy was noted in the North Central submarket where vacancy declined from 12.7% to 9.2%. In all other markets, vacancy exceeded 12% and once again, the highest level of vacancy of 20.1% was found in the East Downtown submarket.

This survey takes into account two types of retail properties, (i) multi-tenant shopping centers in excess of 15,000 square feet, and (ii) large freestanding stores operated by major chain store retailers serving the Omaha market. There are numerous retail properties smaller than 15,000 square feet located throughout the metropolitan area. We would estimate approximately 2.1 million square feet of these properties presently exist. Some consideration should be given to these properties when evaluating the overall strength of our market. Finally, in keeping with our past approach, our survey results have been further segregated into seven geographic submarkets and five size categories.

The overriding characteristic of the retail market in Omaha since the recession has been a flight to quality. By way of example, prior occupants of B quality space have been seeking empty A space, and occupants of C space seeking B space. However, with few, if any, new entrants to the market at the junior and big box level, absorption has been limited. At this stage in the recovery, the supply of space in A centers in most trade areas is very tight, the supply of space in B centers varies by trade area, and

the supply of spaces in C quality centers is abundant throughout the market. The 286 month supply mentioned above seems ludicrous at first glance. Indeed, it is worth noting that we expect a sizable portion of the obsolete C quality space in our market to be either converted to alternate uses or demolished during the coming years. In the words of a prominent retail expert, "our industry is not so much underbuilt as it is under demolished."

After generally falling 10% to 20% during the recession, rents stabilized in Omaha by the end of 2010. We had expected to observe rental rates to begin rising in the best centers during 2012. However, rents actually remained stable throughout the quality spectrum, no doubt due to the limited demand for space demonstrated by the low absorption number found in our survey. Free rent exceeding 60 to 90 days in new lease transactions has become uncommon in all but the C quality centers. Negotiating renewals with existing tenants has generally become must less stressful for Landlord's, except in the case where retailers believe they need a much smaller store going forward, as is presently the circumstance with the office supply retailers.

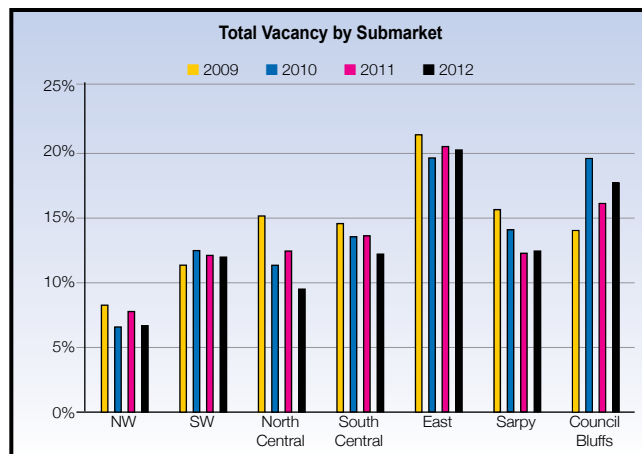
Walmart has continued to move forward with its plans to greatly increase its penetration in the Omaha market. They recently acquired a portion of Baker Place at 50th and Ames and will open their 10th superstore there in early 2014. Walmart is also expected to develop an 11th superstore on North 16th Street in Council Bluffs, with that store also expected to open during the first half of 2014. Additionally, Walmart has seven sites in various stages of development for its Neighborhood Market concept, which are food and drug stores that typically average 40,000 square feet in size. The first two of these Neighborhood Markets are expected to open in early March at 132nd & West Maple Road in Omaha and at 25th & Capehart Road in Bellevue. Walmart's expansion will no doubt cause some disruption to all of its grocery competitors in Omaha, but we can't help to think that the Nash Finch owned Bag 'n Save and No Frills stores will be impacted the most. We expect store consolidation in the grocery segment here to begin in late 2013 or early 2014 with Nash Finch eventually deciding to close multiple units.

Frank Krecji of Omaha based Century Development, along with his Arizona based partner Rod Yates of OTB Destination, continued their efforts to redevelop both Crossroads Mall at 72nd & Dodge and the former Nebraska Crossing outlet center at I-80 & Hwy 31 in Gretna. There have been no announcements made regarding firm future plans for Crossroads, although the developers continue to negotiate a TIF agreement with the City of Omaha, which has a vital interest in seeing this key intersection redeveloped with a substantial project. In Gretna, Krecji and Yates are reportedly

working with the city on a complex set of incentives that would involve TIF Financing, turn-back sales taxes, and occupation taxes. Earlier this year, Krecji and Yates announced that more than 25 retailers had committed to occupy a redeveloped Nebraska Crossing Outlet center, although the tenants announced to date have not included the anchor tenant commitments that will most likely be required to bring this project to fruition.

After an incredibly quiet year in 2012, things will begin to heat up a bit in terms of new construction during 2013. As mentioned previously, Walmart currently has nine projects in some phase of development which will eventually add approximately 670,000 square feet of space, with some stores to open in 2013 and the balance in 2014. Menard's is nearing completion of a 160,000 square foot store at 72nd & L in Ralston, which will be their fourth Metro area location. Also, construction is well underway at 72nd & Cornhusker in Papillion on the 250,000 square foot Settler's Creek Shopping Center, which is a joint venture of The Lerner Company and Red Development. Hobby Lobby will open at Settler's Creek in April and the developers are expected to soon announce the addition of a second anchor tenant of substantial size. Finally, if the required anchor deals are signed at the aforementioned 350,000 square foot Nebraska Crossing Outlet center, construction will start during the coming year in anticipation of a 2014 opening date.

In summary, the retail market in Omaha continued its gradual rebound during 2012, and vacancy decreased for the third successive year. While the vacancy rate decreased in five of the seven submarkets surveyed, the overall market still must be considered overbuilt given the excessive vacancy in all but the Northwest submarket, where we consider supply and demand to be in balance. We expect the current trend to continue in 2013, as the national economy strengthens further, largely as a result of appreciation in the single family housing market. Our forecast for the Omaha market is that absorption will increase markedly in 2013 and that retail vacancies will decrease by 75 to 100 basis points.



Year End Review 2012 - Omaha Retail Market Summary

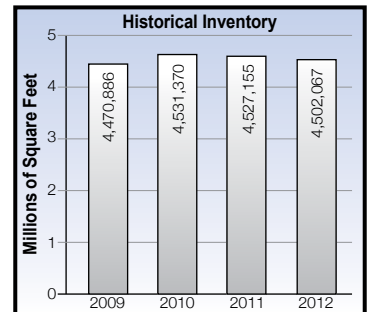
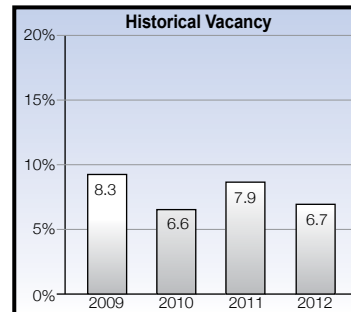
Northwest Submarket

The Northwest 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 demographics within the Northwest submarket are very appealing to a broad class of retailers. There are in excess of 104,000 residents within the area and the Northwest has been the fastest growing submarket over the past decade. Additionally, the median household income of \$81,976 is second highest among all of the submarkets, and much higher than the median level of \$62,633 reported for the entire Omaha market.

The Lerner Company surveyed 53 retail properties within the Northwest Submarket totaling in excess of 4.5 million square feet. The vacancy rate of 6.7% represents 303,545 square feet, which is a significant improvement over last year's vacancy rate of 7.9%. It should be noted, however, that about half of the decrease in vacancy is attributable to the demolition of the former Borders at 132nd & West Maple Road, in preparation for the construction of a Walmart Neighborhood Market. Regardless, the 6.7% vacancy in this submarket continues to stand in marked contrast to the vacancy found in the balance of the Omaha Market, with the next lowest level of vacancy being 9.2% in the North Central submarket. With the redevelopment of the Border's site, there is not a single big

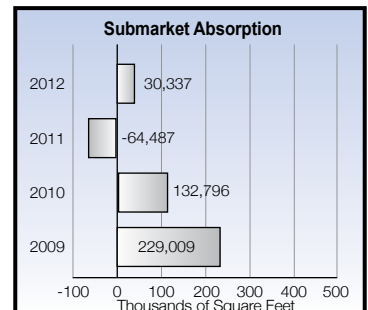
box or junior box vacancy within the entire submarket. Although vacancy improved, our survey did not detect evidence of rental rate increases over the past year, with small shop rents continuing to generally range from \$12 to \$20 per square foot, except for Village Pointe, where rents can reach as high as \$45.00.

Despite the fact that this submarket is considered quite healthy from a vacancy perspective, there was virtually no new retail space added within the Northwest submarket during 2012. There continues to be a number of junior box anchors interested in locating in the West Maple corridor, but so far none have been willing to pay the rents required to have developers take on the risks inherent with new construction. In the big box arena, Sam's Club had expressed every intention of locating a store at 147th & West Maple, but walked from the deal when they were unwilling to meet site plan design requirements imposed by the City of Omaha Planning Staff.



Northwest Submarket by Size

Size	Centers	GLA	% Vacant
Size 1	0	0	0.00%
Size 2	3	1,151,221	2.75%
Size 3	12	2,015,042	2.94%
Size 4	18	937,948	15.01%
Size 5	20	397,856	18.06%



Center Name & Address	Size	Year Opened	Leasing Co. & Agent	GLA 2012	2012 Vacancy	2012 % Vacant	2012 Rate 1	2012 Rate 2	Anchor
352 Plaza 352 N 114th St	4	1984	Lund Company Holly Jones	31,674	2,232	7.05%	\$12.25	N/A	Mid City Bank, Fernando's
American Interstate Place SWC 156th & Maple Rd	3	2005	Lockwood Development Emily O'Connor /Bob Begley	143,963	6,433	4.47%	\$16.00	\$18.00	Hy-Vee
American Interstate Place Phase II SWC 156th & Maple Rd	5	2005	Lockwood Development Emily O'Connor /Bob Begley	15,502	1,444	9.31%	\$20.00	N/A	Hy-Vee
Blondo 120 SWC 120th & Blondo St	4	1980	World Group Nancy Klauschie/Trenton Magid	35,000	3,620	10.34%	\$13.50	N/A	Taxi's
Candlewood Centre NWC 120th & Franklin St	4	2007	NAI/NP Dodge Debra Graeve	16,341	1,195	7.31%	N/A	N/A	Mediterranean Bistro
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
CVS 108th & Fort	5	2010	N/A	13,232	0	0.00%	N/A	N/A	CVS
CVS 144th & Maple Rd	5	2011	The Lerner Company Boh Kurylo	13,232	0	0.00%	N/A	N/A	CVS
Diamond Head Plaza 2051 N 156th St	4	1999	Investors Realty Brian Farrell	61,154	1,200	1.96%	\$13.00	\$13.00	Bag N Save
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/Rick Quinlevan	349,634	3,750	1.07%	\$16.50	\$18.00	Baker's, Kmart, Office Depot, Kohl's, Petco
Eagle Run Plaza SEC 132nd & Maple Rd	4	1996	Bear Properties Terry Hogan	35,000	2,041	5.83%	\$15.00	\$15.00	Wal-Mart Grocery, Old Chicago, UPS, Zurlo's, Cherry Berry
Eagle Run Square SEC 129th & Maple Rd	4	1997	Colliers International Pam Beardslee	40,290	14,071	34.92%	\$13.00	N/A	Summer Kitchen Café
Elk Ridge Plaza 20275 Honeysuckle Dr	5	2006	PJ Morgan Real Estate Heather Starmer	20,534	7,603	37.03%	\$9.50	N/A	Thompson Music
Grayhawk Pointe NWC 144th & Eagle Run Dr	4	2001	Bear Properties Terry Hogan	70,000	2,000	2.86%	\$15.00	\$15.00	Bike Rack, Blue Sushi Sake & Grill, Alegent
Greenfield Plaza SWC 156th & W Dodge Rd	4	2000	CB Richard Ellis Nancy K Johnson/Jason Ruegg	49,000	10,887	22.22%	\$13.50	\$16.00	Farrell's Extreme Bodyshaping, Fringe's
Hacienda Heights SWC 108th & Maple Rd	5	1982	Lund Company Kurt Weeder	22,500	5,444	24.20%	\$10.00	N/A	Goodwill, Cricket
Hillrise Shopping Center SEC 204th & Douglas St	4	2008	World Group S. Scott Moore	30,165	7,170	23.77%	\$8.50	N/A	Dick's Hillrise Market
Hillsborough Plaza NWC 138th & Maple Rd	5	1998	Bear Properties Terry Hogan	25,000	6,656	26.62%	\$15.00	\$15.00	Children's Medical
Hillsborough West Plaza NWC 144th & Maple Rd	3	2004	The Lerner Company Lindsay Killough/Boh Kurylo	137,252	6,300	4.59%	\$14.00	N/A	Home Depot
Linden Market NEC 132nd & W Dodge Rd	3	1989	The Lerner Company Dennis Thamer/Boh Kurylo	115,836	0	0.00%	\$15.50	N/A	Hy-Vee
Maple 108 SEC 108th & Maple Rd	3	1984	Lamb Real Estate Mark Lamb	\$105,325	4,200	3.99%	\$14.00	N/A	Bag 'n Save, Dollar General
Maple Heights NWC 108th & Maple Rd	5	1960/2010	Investors Realty Jerry Huber/John Dickerson	28,125	5,161	18.35%	\$8.50	\$8.50	Mohegan Nail Salon, I Don't Care Bar & Grill
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	137,360	20,949	15.25%	\$10.00	\$12.00	Bag 'n Save, Kohl's, DJ's Dugout, Russo's
Miracle Hills Square NNEC 114th & W Dodge Rd	4	1979	Investors Realty Brian Kuehl/Pat Regan	87,350	9,650	11.05%	\$11.00	\$11.75	Clancy's, Wells Fargo, Jack & Mary's
Miracle Village NEC 120th & Webster St	5	1989	Investors Realty Brian Farrell	27,150	5,200	19.15%	\$7.50	\$14.00	Jensen Tire & Auto
North Park Commons (Bldgs A,C,D,E), NEC 120th & Blondo St	4	1986	Investors Realty Brian Farrell/ Brian Kuehl	65,496	9,287	14.18%	\$14.50	\$18.50	Coldstone Creamery, PepperJax Grill, Qdoba
Old Mill Centre NWC 108th & W Dodge Rd	4	1998/2003	CB Richard Ellis Mark Obermeyer/Heidi Rush	69,750	15,760	22.59%	\$9.50	\$15.00	New York Burrito

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Northwest Submarket

Forecast for 2013

The only new space expected to come on line during 2013 will be the new Walmart Neighborhood Market at 132nd and West Maple, which is scheduled to open in March. Lockwood Development continues to merchandise a pair of small shop buildings at the

southwest corner of 147th and West Maple, which together will be comprised of approximately 30,000 square feet. Provided that the economy continues its gradual improvement during the coming year, we expect that the vacancy rate will continue to fall within this submarket and that small shop rental rates will rise by as much as 10% in Class A projects.



Pepperwood Village NEC 156th & W Dodge Rd	3	2000	The Lerner Company Erin Pogge/Rick Quinlevan	125,746	14,586	11.60%	\$18.50	\$20.00	Baker's
Richland Park Plaza ENEC 120th & W Dodge Rd	5	1999	CB Richard Ellis Tracy Earnest/Heidi Rush	16,800	1,200	7.14%	\$11.00	N/A	Jerico's Restaurant
Roanoke Retail SSEC 120th & Fort St	5	2007	Investors Realty, Brian Farrell/ Brian Kuehl/Tim Kerrigan	16,640	6,600	39.66%	\$15.50	\$16.50	Farrell's Extreme Bodyshaping, Best Care Pet Hospital
Shoppes at Elk Creek 168th & Maple Rd	5	2007	Colliers International Chris Mensinger/Pam Beardslee	20,116	8,480	42.16%	\$12.00	N/A	Pittsburgh Paints, Black Clover Fitness
Shoppes at Grayhawk SWC 144th & Maple Rd	2	2002/2006	Colliers International Adam Marek/Chris Mensinger	227,350	6,810	3.00%	\$18.75	N/A	Lowe's, Michaels
Shoppes at Thomsen Mile NWC 168th & Maple Rd	3	2005	World Group Trenton Magid	220,253	5,200	2.36%	\$17.95	\$18.50	Wal-Mart Supercenter
Shoppes of Grayhawk SSWC 144th & Maple Rd	4	2007	Lund Company Holly Jones	39,987	11,576	28.95%	\$16.00	\$18.00	Sprint, Massage Envy
Skyline Pointe 204th & Cumberland Dr	5	2008	The Lerner Company Ben Meier	22,300	4,493	20.15%	\$13.00	\$16.00	Menards, U-Save Pharmacy
Standing Bear Pointe NEC 144th & Fort St	4	2008	Lund Company Steve Gettman/Denny Sciscoe	40,544	14,246	35.14%	\$12.00	N/A	Bright Beginnings, Cheesecake Bakery
Stone Creek Plaza SSWC 156th & Fort St	5	1976	CB Richard Ellis, Nancy K Johnson/ Tracy Earnest/Talia Swanson	16,050	7,815	48.69%	\$13.50	\$14.50	Childrens Dental Specialists
Torrey Pines Plaza 153rd & Maple Rd	5	1998	Investors Realty Brian Kuehl/Brian Farrell	18,270	2,700	14.78%	\$13.50	\$15.50	Gentle Doctor Animal Hospital, God- father's Pizza
Tranquility Place SEC 124th & Maple Rd	5	1997	Investors Realty Tim Kerrigan/Brian Farrell	22,772	0	0.00%	\$13.50	\$13.50	Bene Pizza
Village Pointe SWC 168th & W Dodge Rd	2	2004	RED Development Tamie Osterloh	574,237	21,094	3.67%	\$25.00	\$45.00	Scheels, Best Buy, Bed Bath & Beyond, DSW, World Market, Vil- lage Pointe Cinemas, Brix, Old Navy
Village Pointe East SEC 168th & W Dodge Rd	4	2004	Quantum Real Estate	30,128	0	0.00%	\$19.00	N/A	Verizon Wireless, Centennial Bank
Village Pointe South SWC 168th & Burke St	4	2007	Quantum Real Estate Rob Luellen	68,265	7,102	10.40%	\$22.00	\$25.00	Wine Styles, Fat Brain Toys, KOBÉ Steakhouse
Walgreens 10725 Fort St	5	2000	BDRE - Fort LLC	14,998	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
Walgreens SEC 180th & Burke St	5	2008	Village Development	\$14,924	\$0	0.00%	N/A	N/A	Walgreens
West Grayhawk SWC 147th & Maple Rd	5	2008	Investors Realty Brian Farrell/Jerry Huber	30,323	2,644	8.72%	\$12.00	N/A	Starbucks, Little King, CBS Home Real Estate
West Maple Square NWC 156th & Maple Rd	5	1999	Investors Realty Brian Farrell/Brian Kuehl	24,464	6,413	26.21%	\$14.50	N/A	ABC Childcare
West Point (Bldgs A,B, C,D) NEC 156th & Maple Rd	4	1993	Investors Realty Brian Farrell/Brian Kuehl	98,024	28,745	29.32%	\$12.50	\$14.50	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 SWC 168th & W Maple Rd	3	2007	The Lerner Company, Rick Quinl- evan/Boh Kurylo/Erin Pogge	252,358	1,588	0.63%	\$20.00	N/A	Super Target, Petsmart, Sports Authority
Northwest Submarket Totals				4,502,067	303,545	6.74%			
Wal-Mart Neighborhood Market SEC 132nd & Maple Rd		2013		41,479					
Northwest New Construction Totals				41,479					



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Southwest Submarket

This submarket includes an area bounded by Interstate 680 and Interstate 80 on the east, the Platte River on the west, Platteview Road extension on the south, and West Dodge Road on the north. The primary retail growth has been focused for many years on West Center Road, although recently a strong retail pocket has developed on L Street between 120th and 132nd. The residential growth areas in the southern half of the submarket continue to be serviced by small in-fill developments along the Harrison and Q Street corridors.

The Lerner Company surveyed 81 retail properties in the largest submarket, in terms of gross leasable area, which equated to just over 7.6 million square feet of retail space. The total number basically remained flat from last year with the submarket vacancy rate decreasing slightly from 12.3% to 12.0%. This vacancy rate represents 924,022 square feet. Though this is the second year of improvement in the vacancy rate it still is a far cry from the strong economic years of 2005 when we were at 6.1%

With no new significant development and vacancy rates continuing to decrease for the first time since 2007, we saw lower small shop vacancy average rents increase slightly from \$12.00 to \$12.20 per square foot and the high end increase from \$15.50 to \$17.60 per square foot. While "B" and "C" centers still see aggressive Landlord concessions, "A" spaces, especially end caps, can bring about a bidding war.

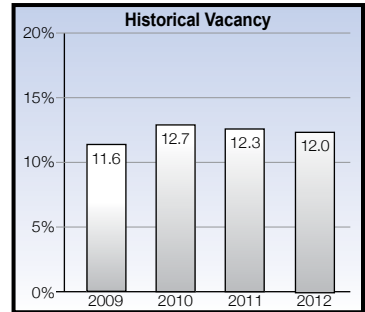
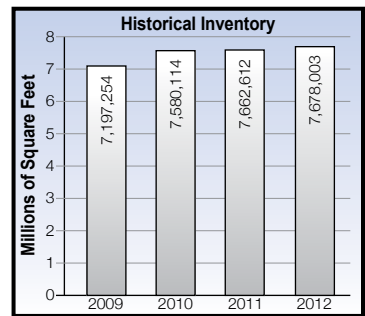
As southwest Omaha has matured, residential growth has now slowed down to a more conservative projected five year annual growth pattern of 1.3% following a dramatic period of 3.7% annual growth from 2001-2010. Still, this submarket affords retailers with a total population of over 148,000 together with the highest median household income in the Metro at \$86,966, which is an increase of over \$1,000 from last year.

The Oak View Plaza area located on the ring road

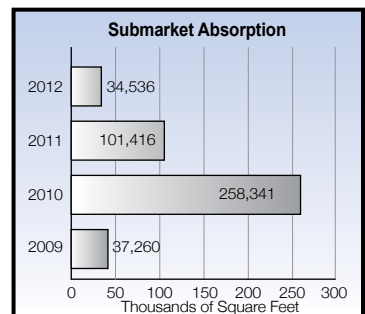
to the rear of Oakview Mall was hard hit in 2010 and saw vacancy increase to over 26% or over 150,000 square feet of vacancy. This area has come back with Guitar Center, an Asian Buffett and the "V", a bowling entertainment concept, which took the Linen & Things space, bringing the vacancy rate down to 13.7% (78,760 square feet). Most of this number is comprised of the closed Hy-Vee which is over 60,000 square feet. Oak View Mall, the submarkets 862,348 square foot regional mall, continued to see substantial vacancy decreases from 6.2% to 3.0% and mall sales improving from \$375 to \$395 per square foot. In addition, L St Marketplace, the 438,000 square foot, Super Target anchored power center has recovered well since being purchased from foreclosure with the addition of Cheddar's, Kirklands, Noodles & Co., and numerous other small-shop tenants. The loss of Best Buy, however, may have an impact on the center in 2013.

Forecast for 2013

The big news in this submarket is the proposed redevelopment of the Nebraska Crossing Outlet Mall in Gretna. With a commitment of over \$50 million in investment from the city of Gretna, the plan is to tear down the old 170,000 square foot outlet mall and build a new 350,000 square foot outlet mall that would open in 2014 and be called the Smart Outlets at Nebraska Crossing. Numerous tenants have been announced for the project, but no anchors as of yet, so only time



Southwest Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	1	862,348	3.04%
Size 2	8	3,114,239	7.68%
Size 3	11	1,528,382	25.30%
Size 4	23	1,401,793	7.14%
Size 5	38	771,241	22.29%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacant	2012 Rate 1	2012 Rate 2	Anchor
159th Place NEC 160th & W Center Rd	5	1974	Investors Realty JP Raynor/Rensch	27,648	5,184	18.75%	\$8.75	\$10.50	The Nest Lounge
180th Plaza SWC 180th & Q St	4	2004	Investors Realty Brian Kuehl/Brian Farrell	41,454	6,358	15.34%	\$15.00	\$15.50	Walgreens, Goodwill, Sherwin Williams
3720 Building 3720 S 132nd St	5	1978	Investors Realty Brian Farrell	18,018	1,600	8.88%	\$8.95	N/A	India Mart
4500 S 132nd St NWC 132nd & L	5	2008	Colliers International Pam Beardslee	15,750	15,750	100.00%	\$11.95	N/A	
Armbrust Village SEC 168th & W Center Rd	4	2006	Assess Commercial, LLC Drew Snyder	31,052	0	0.00%	\$16.00	\$17.00	Clancy's Pub, The Egg & I
Baker Square SWC 132nd & W Center Rd	3	1971	The Lerner Company Erin Pogge/Rick Quinlevan	159,617	17,257	10.81%	\$14.00	\$19.50	No Frills Fresh, JoAnn Fabrics, Party City, Alegent/Creighton Clinic
Bel Air Plaza NWC 120th & W Center Rd	3	1964	Investors Realty John Dickerson/Pat Regan	192,412	18,663	9.70%	\$7.50	\$12.50	Nobbies, Omaha State Bank
Bel Drive Plaza NWC 120th & Arbor St	5	1981	CB Richard Ellis Larry Meyerson/Bill Bowers/Mike Kaufman	18,000	8,400	46.67%	\$9.50	N/A	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	World Group Daniel Goaley	75,890	3,863	5.09%	\$9.50	\$10.00	
Cattail Creek Retail NEC 192nd & Q St	5	2005	Investors Realty Brian Kuehl/Brian Farrell	22,886	19,276	84.23%	\$13.50	\$13.50	Tannners Bar & Grill, Imagine & Explore Preschool
Chicago Square NEC 114th & Davenport St	5	1983	NAI/NP Dodge Bryan Hartman/Debra Graeve	23,150	4,180	18.06%	\$13.50	N/A	Centris Federal Credit Union
CVS 14303 U St	5	2011	Buyers Realty Rob Lydon	28,794	12,000	41.68%	\$8.00	N/A	CVS
CVS 2609 S 132nd St	5	2011	Sup Family III LLC	13,205	0	0.00%	N/A	N/A	CVS
Davenport Plaza SWC 114th & Davenport St	5	1976	CB Richard Ellis Nancy Johnson/Heidi Rush	22,770	6,120	26.88%	\$13.95	N/A	Bruegger's Bagels, Martinizing, Four Seasons
Davenport Square NWC 114th & Davenport St	4	1970	World Group Ben Pearson	31,766	1,200	3.78%	\$12.00	N/A	Green Onion, Nebraska Dance
Davenport Square SEC 114th & Davenport St	5	1985	7 Oaks Investments Paul Waggener	22,689	0	0.00%	\$11.50	\$14.50	Children's Heaven Daycare, Liquid Lounge
Deerfield Place SWC 136th & Q St	3	1987	Phillips Edison & Co. Andy Schneider	129,812	88,896	68.48%	\$7.00	\$10.00	True Value Hardware
Discovery Plaza 136th & Discovery Dr	4	1991	Paramont Commercial Real Estate Services, Inc David J Gibbs, Jr	50,687	8,201	16.18%	\$7.95	N/A	Adventure Childcare
Galleria Collection SWC 146th & W Center Rd	4	1986	Lund Company Holly Jones	53,194	2,380	4.47%	\$12.00	N/A	ShopKo, Old Country Buffet, Genji Steakhouse
Garden Ridge 12990 W Center Rd	3	2009	Garden Ridge L.P.	103,312	0	0.00%	N/A	N/A	Garden Ridge
Georgetown Place NWC 140th & W Center Rd	5	1980	World Group Nancy Klauschie	16,719	8,619	51.55%	\$14.00	N/A	Stereo West
Harrison Village SWC 168th & Harrison St	4	2004	First Management Inc. Eric Wieseler	80,118	5,847	7.30%	\$15.00	N/A	Fareway Foods
Harvey Oaks Plaza NWC 144th & W Center Rd	3	1983	Colliers International Adam Marek	141,778	9,488	6.69%	\$12.00	\$15.25	Bag N Save
Hawthorne Court NEC 180th & Q St	3	2005	Investors Realty Pat Regan	108,527	5,873	5.41%	\$13.50	\$18.25	Hy-Vee, Verizon, Sunrize Donuts, Great Clips
Home Depot Shopping Center NEC 132nd & L St	2	2003	Home Depot	\$467,386	0	0.00%	N/A	N/A	Home Depot, Wal-Mart Supercenter, Sam's Club
HyVee NEC 180th & Pacific	4	2011		\$85,198	0	0.00%	N/A	N/A	HyVee
HyVee Stony Brook SWC 144th and Stony Brook Blvd	4	2010	HyVee	88,000	0	0.00%	N/A	N/A	Hy-Vee
L Street Marketplace 120th & L St	2	2008	The Lerner Company Dennis Thaemert	438,017	49,005	11.19%	\$12.00	\$20.00	Super Target, Sports Authority, Michael's, Ulta, Office Max
Lakeside Plaza NEC 175th & W Center Rd	2	2000	CB Richard Ellis Mark Obermeyer/Heidi Rush	212,000	9,007	4.25%	\$16.50	N/A	Baker's, Gordmans
Legacy Court 17520-602 Wright St	4	2004	Lockwood Development Bob Begley	37,267	3,875	10.40%	\$14.00	\$17.50	Bottomless Glass, Vitamin Cottage, Legacy Eye Care
Legacy West SEC 177th & W St	4	2004	NAI/NP Dodge Debra Graeve/Julia Roberts	32,254	6,476	20.08%	\$15.00	N/A	Chipotle Mexican Grill, LePeep, HuHot, Sprint, Jimmy John's
Millard Autocare Mall 13704 P St	5		Paramont Commercial Real Estate Services, Inc., David J Gibbs, Jr	22,178	3,750	16.91%	\$7.95	N/A	
Millard Park Plaza 156th & Harrison St	5	2008	Colliers International Cori Adcock	16,840	3,600	21.38%	\$12.50	N/A	Mackovica Physical Therapy
Millard Plaza I Millard Ave & Q St	4	1977	World Group Dan Dutton/Trenton Magid	93,946	6,270	6.67%	\$9.00	N/A	Amazing Pizza Machine
Millard Plaza II SEC Millard Ave & Q St	4	1983	Lund Company Holly Jones	73,522	15,000	20.40%	\$6.00	\$9.00	The Amazing Pizza Machine, Pet World
Mission Pines 168th & Harrison St	5	2006/07	Investors Realty Pat Regan	25,372	1,226	4.83%	\$14.00	N/A	Skybox Bar & Grill, Jimmy John's, Doc & Eddies BBQ
Mission Village SWC 168th & Q St	5	1995	CB Richard Ellis Seth Campbell/Mike Kaufman	15,583	1,350	8.66%	\$16.00	N/A	Omaha State Bank, Ashley Lynn Tanning
Montclair SWC 129th & W Center Rd	2	1971	World Group Dan Dutton	250,000	41,189	16.48%	\$9.00	\$25.00	Michaels, Sports Authority, Marshalls, Hancock Fabrics, Gamers

2012 Year End Review - Omaha Retail Market Summary

Southwest Submarket

will tell about the success of this project. Another major entry into the market will be the opening of a Walmart Neighborhood Market at 168th and Harrison in 2013. A Natural Grocers Store by Vitamin Cottage will open in the Fox & Hound space on West Center and we will see the first Dunkin Donuts in Omaha at 144th and Pacific in 2013. The market will continue to see the yogurt expansion with

Cherry Berry entering, and continued breakfast expansion by Egg & I and Jimmy's Egg. Jones Bros Cupcakes looks to enter West Omaha on 180th Street and both Chick-Fil-A and Raising Cane's continues to look for sites.

Landlords still have to be aggressive with both rents and concessions on most centers, but the tide is turning. With the continued lack of development, vacancy rates will continue to decline and rents will continue to rise, especially on well anchored centers and high visible locations.



Nebraska Crossing NEC I-80 & Hwy 6	3	1991	First Management Inc. Eric Wieseler	196,292	196,342	100.03%	\$4.00	\$6.00	
Nelson Square 167th & Harrison St	5	1999	NAI/NP Dodge Tom Failla	15,000	1,766	11.77%	\$10.50	N/A	Sylvan Learning
Oak Hills Shopping Plaza 12701-59 Q St	5	1967		29,069	0	0.00%	N/A	N/A	Kohl's Pharmacy
Oakview Mall SWC 144th & W Center Rd	1	1991	General Growth Properties Ted Harris/Joel Gurtman	862,348	26,200	3.04%	\$10.00	\$70.00	Younkers, Dillards, JC Penney, Sears
Oakview Plaza SEC 144th & Oakview Dr	2	1998	Investors Realty Brian Kuehl	573,646	78,760	13.73%	\$8.00	\$22.00	Petsmart, Dick's Sporting Goods, Kohl's, Toy's R Us, Barnes & Noble, AMC Theaters

Old Orchard West NWC 133rd & W Center Rd	3	1983	Gordman Properties Jerry Gordman/Deborah Smith	103,220	0	0.00%	\$8.00	N/A	Big Lots, Aldi, Dave & Busters
Olde L Plaza 13502 L Street	5	1994	Lund Company Kurt Weeder/Marty Patzner	21,000	11,000	52.38%	\$5.50	N/A	Nano Electric
Orchard Plaza NNEC 132nd & W Center Rd	3	1977	Slosburg Company Leigh Andres	89,419	41,346	46.24%	\$14.00	\$18.00	House of Hunan, Pepperjax Grill, Beyond the Vine
Pacific Crest WSWC 120th & Pacific St	5	1974	CB Richard Ellis Seth Campbell	23,936	1,674	6.99%	\$8.75	N/A	Creative Hair Design
Pacific Pointe SEC 204th & Pacific St	4	2009	Magnum Realty, Inc. Joe Kutilek	60,000	0	0.00%	N/A	N/A	No Frills Fresh
Pacific Springs Square NEC 178th & Pacific St	5	2009	Lisa Mendlik	22,500	0	0.00%	\$15.50	N/A	Mackovica Physical Therapy, Pacific Springs Dental Care
Pacific West SEC 142nd & Pacific St	5	1974	TREK Bob Cox	19,100	3,600	18.85%	\$10.00	N/A	Flowerama
Plaza II NEC 120th & Arbor St	5	1981	Vacanti Real Estate Paul Vacanti	24,299	12,000	49.38%	\$9.00	N/A	Vacuums Plus
Ridgeview SWC 180th & W Center Rd	2	2004	Investors Realty Pat Regan	413,190	1,629	0.39%	\$14.50	\$14.50	Wal-Mart, Lowe's
Rockbrook Camera SWC 168th & W Center Rd	5	2009	Investors Realty Brian Kuehl	16,820	0	0.00%	\$18.00	N/A	
Shoppes at Lakeside 16909 Lakeside Hills Plz	4	2004	World Group Nancy Klauschie/Trenton Magid	35,373	11,009	31.12%	\$14.75	N/A	Camille's, NP Dodge
Skylark ESEC 120th & Pacific St	5	1963	PJ Morgan Real Estate, Ryan Ellis/Heather Starmer/Don Boldizar	19,545	5,486	28.07%	\$8.50	N/A	Big Fred's Pizza
Southwestern Plaza 4251 S 144th St	5	1999	World Group Nancy Klauschie/Dan Goaley	25,324	3,823	15.10%	\$11.00	N/A	Buffalo Wild Wings, Pinnacle Bank, Planet Fitness
Sports Plaza NEC 120th & I St	4	1986	Investors Realty Brian Kuehl/Brian Farrell	97,060	10,200	10.51%	\$12.00	\$14.00	Better Bodies, Guns Unlimited, Echo Lighting
Spring Ridge Plaza SEC 180th & Pacific St	4	2004	NAI/NP Dodge Bill Stack/Deb Graeve	64,373	15,144	23.53%	\$15.50	\$17.00	Pizza Hut, Anytime Fitness, Harbor Farms
Standing Stone Plaza Hwy 6 & Schram Rd	5	2008	Investors Realty Brian Kuehl	13,680	1,440	10.53%	\$13.00	\$13.50	
Summit Pointe NEC 144th & W Center Rd	5	1999	Investors Realty Pat Regan	29,675	6,827	23.01%	\$18.00	N/A	Old Chicago
Sunridge Shopping Center SWC 180th & Harrison St	5	2006	Investors Realty Brian Kuehl/Brian Farrell	24,255	4,000	16.49%	\$14.50	\$14.50	Kosama, 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 Terry Hogan	74,000	0	0.00%	\$18.00	\$18.00	Roja Mexican Grill, Verizon
The Shops of Legacy (Phase II) SWC 168th & W Center Rd	4	2008	Bear Properties Terry Hogan	32,046	0	0.00%	\$18.00	\$18.00	Baby Blue Sushi
Tiffany Square 2305 South 133rd Plz	5	1982	7 Oaks Investments Paul Waggener	15,499	4,506	29.07%	\$11.93	\$13.50	Caps Etc, Posh Princess, U Build It
Tivoli 175th & W Center Rd	5	2006	CB Richard Ellis Gerard Daly	23,577	6,400	27.15%	\$16.00	\$18.00	Runza, Beauty First
U Street Plaza 14223 U St	5	1985	Colliers International Pam Beardslee	22,150	8,393	37.89%	\$7.25	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 Plz	5	2004	Walgreens Co	\$14,544	\$0	0.00%	N/A	N/A	Walgreens
Walnut Grove Plaza NEC 156th & Q St	3	2004	West Bay Properties Tom Smith	133,804	1,338	1.00%	\$14.00	N/A	Bag 'n Save
West Center Oaks SEC 140th & Center	4	1985	Lund Company Richard Secor	44,746	4,200	9.39%	\$13.50	N/A	Leslie's Pool Supply
West Pacific Crossing SWC 156th & Pacific St	4	2001/2006		38,043	0	0.00%	\$18.00	N/A	Hector's Mexican Restaurant, Mama's Pizza
Western Springs NWC 177th & W Center Rd	2	2000	CB Richard Ellis Seth Campbell/Mike Kaufman	250,000	0	0.00%	\$17.00	N/A	Super Target
Westport Commercial SWC 144th & F	5	1993	The Lerner Company	26,921	1,195	4.44%	\$15.95	N/A	Charlie's on the Lake
Westport Village 14440 F St	5	2006	Colliers International Cindi Cisar/Chris Mensinger	18,623	8,755	47.01%	\$13.95	N/A	24 Hour Fitness
Westwood Plaza SWC 120th & W Center Rd	2	1964	World Group Dan Dutton	510,000	59,616	11.69%	\$6.50	\$25.00	Baker's, TJ Maxx, Westwood Cinema, Burlington Coat Factory, Office Depot
Wick's South Pointe SSWC I-80 & Hwy 370	3	2009	NAI/NP Dodge, Chuck Devetter/ Sarah DeVetter-O'Connor	170,189	7,450	4.38%	\$17.00	\$18.00	Wal-Mart Supercenter
Southwest Submarket Totals				7,678,003	924,002	12.03%			
Wal-Mart Neighborhood Market 6710 S 167th St	4	2013		42,212					Wal-Mart Neighborhood Market
Southwest New Construction Totals				42,212					

Year End Review 2012 - Omaha Retail Market Summary

North Central Submarket

The North Central 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.

The Lerner Company surveyed 25 retail properties totaling in excess of 2.2 million square feet. The overall submarket vacancy rate of 9.1% represents 206,398 square feet, which is a marked improvement from last year's 12.8% and equally notable that it is the first time since 2005 the vacancy has dropped in to single digit territory.

The submarket is predominately blue collar to the east and aging middle class to the west. The population density is relatively low in this submarket with just under 63,000 residing within the area, the lowest of all the submarkets. The area's buying power was slightly depleted from 2011 with a 3.5% drop in Median Household Income of \$50,756. With a slight drop over the year in terms of fuel costs, along with an increase in commodity prices, it is likely this submarket's buying power remained flat in 2012. As the housing market starts to improve over the long run, there is still developable land that will allow future growth within this submarket. Factors which may eventually attract new housing development include easy access to the rest of the city, as well as the presence of first class medical and retail services.

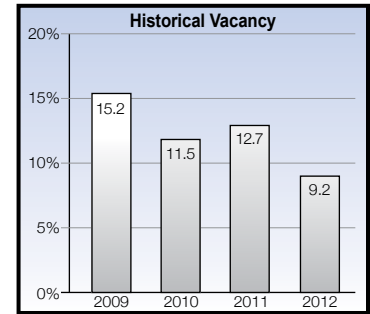
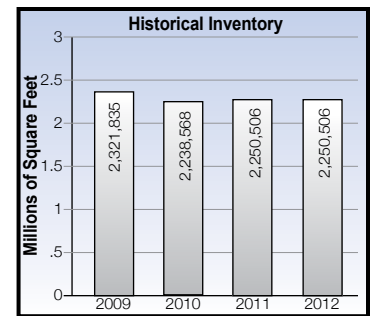
The two dominant projects; Sorensen Park Plaza located at 72nd and Sorensen Parkway and Benson Park Plaza at 72nd & Ames; had relatively little change in 2012 with several pad deals expected in 2013. The major event that changed the submarket vacancy was the addition of Fareway Food to Village Shopping Center at 90th and Maple. Without that deal, the submarket vacancy level would have remained double digit, at 11.2%. Downward pressure on rents abated somewhat with net effective

rents staying relatively flat. Asking rents ranged from \$3.50 to \$19.00 per square foot which help highlight the difference commanded by anchored projects and non-anchored projects. Deals completed during 2012 were similar to those done during the prior two years in that they generally included considerable tenant improvement allowance, as well as an initial period of free rent, typically six months.

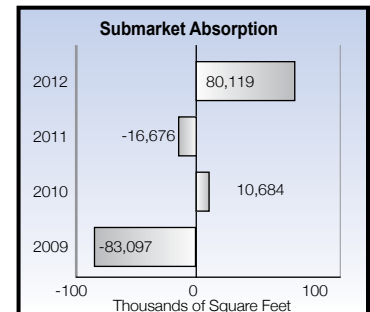
Forecast for 2012

As has been the historical norm in this corridor, during the coming year we expect anchored centers will continue to fare better than the unanchored strips. Downward pressures on rent will likely continue in unanchored projects with a slight improvement in rents projected for anchored projects in 2013. The deals that are completed this year will still need to include periods of free rent with lower starting rents across all categories. Free rent will remain a factor, with anchored centers having more chips to bargain with and likely getting into the three to four month norm.

In spite of the reduction to vacancy in the North Central Submarket due to the Fareway deal, demand for new retail construction will be non-existent as previously predicted and will likely continue in that manner for several more years. The velocity to the additions to the submarket should start to pick up slightly as with the tide raising all boats. But as retailers continue rollouts in Omaha, desire for filling the gaps will bring the North Central submarket into discussion more often than previously. The small shop vacancy level will remain flat in unanchored projects with the potential of buildings being removed from the 'retail' category in this scenario. The projects to watch will be the anchored projects that will likely see more interest from established retailers looking to fill the gap in this Submarket with several solid opportunities remaining.



North Central Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	0	0	0.00%
Size 2	2	795,279	4.48%
Size 3	6	923,390	5.83%
Size 4	7	359,518	23.77%
Size 5	10	172,319	18.25%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacant	2012 Rate 1	2012 Rate 2	Anchor
Aksarben Plaza 3021-3035 N 93rd St	5	1965	Colliers International Cori Adcock	17,712	8,159	46.06%	\$6.50	N/A	
Benson Park Plaza NEC 72nd & Military Ave	2	2001	World Group, Dan Dutton/ Dave Mattison/Ben Pearson	310,000	5,862	1.89%	\$9.50	N/A	Baker's, Home Depot, Hancock Fabrics
Bloomfield Plaza 90th & Blondo St	5	2006	First Management Inc. Eric Wieseler	23,680	6,285	26.54%	\$12.00	N/A	
Cactus Creek NEC 73rd & Blondo St	5	1963	Commercial Realty Dave Abboud	20,000	10,000	50.00%	\$5.00	N/A	
Cherry Hills Village SWC I-680 & Hwy 133	4	2004	Howard Dobbs Commercial Real Estate, Inc	43,936	20,435	46.51%	\$19.00	N/A	Cherry Bean, Remax
CVS 1919 N 90th	5	2011	Nebraska CVS Pharmacy LLC	\$13,205	0	0.00%	N/A	N/A	CVS
Fort Plaza NWC 90th & Fort St	3	1990	The Lerner Company Dennis Thaemert/Boh Kurylo	134,044	14,224	10.61%	\$12.50	N/A	ShopKo, Dollar General
Gordmans NWC 90th & Military Ave	4	1989	The Lerner Company Dennis Thaemert/Boh Kurylo	77,660	0	0.00%	N/A	N/A	Gordmans
Harold's Square SEC 81st & Blondo St	3	1968	Colliers International Pam Beardslee	108,365	21,612	19.94%	\$8.00	N/A	No Frills
Hartman Square 5739-5829 N 60th St	4	1969	Colliers International Terry Root	29,112	800	2.75%	\$9.50	N/A	
Keystone Center SWC 78th & Military Ave	4	1950	Colliers International Cori Adcock	35,200	24,300	69.03%	\$2.50	\$7.50	Belvedere Club
Maple Village NEC 102nd & Maple Rd	4	2000	Slosburg Company Leigh Andres	41,071	5,395	13.14%	\$14.50	N/A	Valentino's Pizza, Scooters, Malbar Vision, Diamond Vogel
Maple Wood A SWC 90th & Maple Rd	3	1964	Maplewood Square LLC	120,564	0	0.00%	N/A	N/A	Bag 'n Save Plus
Maple Wood B SWC 90th & Maple Rd 2820 N 90th St	5	1964		27,550	0	0.00%	N/A	N/A	Westlake Ace Hardware
Mormon Bridge Plaza 9229 Mormon Bridge Plz	5	2007	Cubby's Inc	15,400	7,000	45.45%	\$8.00	N/A	
Plaza 90 NEC 90th & Grant	4	1980	Lund Company Holly Jones	97,987	34,510	35.22%	\$5.00	\$14.50	Walmart Neighborhood Market
Plaza North NWC 90th & Fort St	3	1974	Phillips Edison & Co. Justin Earl	203,250	1,758	0.86%	\$10.00	N/A	Baker's
Sorensen Park Plaza 72nd & Sorensen Pkwy	2	2006	Lund Company Howard Shrier/Kurt Weeder	485,279	29,800	6.14%	\$15.00	N/A	Target, Marshalls, PetsMart, Great Escape Movie Theater
Starwood Shopping Center SEC I-680 & Hwy 133	3	2004	NAI/NP Dodge Craig Forman	229,378	8,208	3.58%	\$14.00	N/A	Wal-Mart Supercenter, CATO, Paycheck Advance, GameStop
Village Shopping Center NWC 90th & Maple Rd	3	1980	Central Realty Greg Patterson	127,789	8,050	6.30%	\$8.00	N/A	Dollar Tree, Pamida, Harbor Freight Tools, Fareway Foods
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 St	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	PJ Morgan Real Estate Ryan Ellis/Don Boldizsar	34,552	0	0.00%	\$6.50	N/A	Maaco
North Central Submarket Totals				2,250,506	206,398	9.17%			



Year End Review 2012 - Omaha Retail Market Summary

South Central Submarket

The South Central submarket consists of the area bounded by Western Avenue on the North, Harrison Street on the South, 52nd Street on the East, and Interstate 680 on the West. The retail space in this submarket accounts for nearly 21% of all retail space in the Omaha metro.

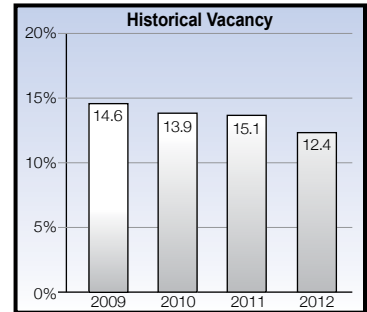
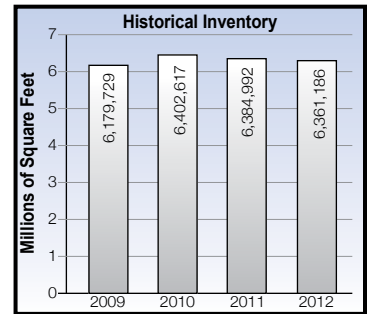
The Lerner Company surveyed 74 properties in 2012, totaling just over 6.35 million square feet in the South Central submarket. The vacancy was 785,780 square feet or 12.35% which represents the second consecutive year of declining vacancy rates in the South Central submarket. The South Central submarket saw positive net absorption in 2012. This was in part due to the demolition of the 36,862 square foot Family Fun Center building which was replaced by Raising Cane as well as the leasing of a significant amount of space at Canfield's Plaza which alone filled more than 44,000 square feet of vacancy over the last year.

The South Central submarket represents some of the most sought after real estate in the Omaha market. During the recent recession the submarket experienced its fair share of creeping vacancy. However, for two years in a row now the vacancy rate has declined more than 1 percent per year. The decrease in vacancy is partly due to the repositioning of certain retailers in the market, including Office Depot on 72nd & Jones, new activity in the marketplace, and creative remerchandising efforts by Landlords who leased retail space to nontraditional retail users such as Life Church which leased over 20,000 square feet at Canfields Plaza on 84th and Center Street. The back to back decrease in vacancy is an encouraging indicator of a strengthening economy in this submarket.

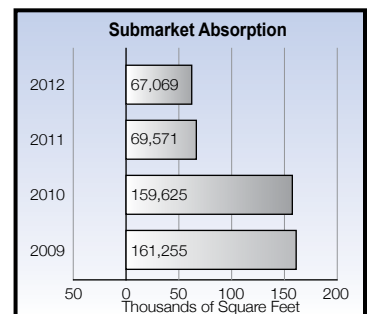
However, there still remains a list of chronically vacant big box and junior anchor spaces which have sat dark for yet another year. The list of dark spaces includes two former grocery stores: 1) the former Bag 'N Save at 7510 Dodge Place, and 2) the former Wild Oats on 78th & Dodge. In addition, the 207,114 square foot former Dillard's building at Crossroads Mall has now been vacant for more than four years. Collectively, these three anchor boxes account for 34% of the vacancy in the South Central submarket. Had these three long vacant boxes been excluded from the survey, the balance of the submarket would have a collective vacancy of 8.5%.

This submarket is well established and mature. Over the past decade, the total population in this highly developed area has remained relatively unchanged, growing at approximately 1.2% per year since 2010. The median household income is \$60,009, which is just shy of the overall Omaha market average of \$62,633. With more than 98,700 employees working within a relatively small geographical area, this submarket ranks second behind the East (downtown) submarket in terms of daytime employment. Additionally, it boasts seven of the top ten busiest intersections in the city. The intersection at 90th & Dodge leads the way with an average of 113,100 vehicles per day according to the 2008 MAPA Average Daily Traffic Flow Map. It is the combination of population density, daytime employment, and traffic which makes the South Central submarket highly desirable for many retailers and restaurateurs.

Two of Omaha's four enclosed regional malls



South Central Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	1	1,210,156	1.97%
Size 2	2	1,168,842	30.72%
Size 3	13	1,865,585	6.26%
Size 4	26	1,459,496	10.75%
Size 5	32	657,107	19.67%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacant	2012 Rate 1	2012 Rate 2	Anchor
4442 S 84th 84th & J	5	1966	CB Richard Ellis Seth Campbell/Mike Kaufman	18,000	5,400	30.00%	\$9.50	\$11.00	Rapid Graphics & Signs
7010 Dodge Building ENEC 72nd & W Dodge Rd	5	1994	Colliers International Cindi Cisar	15,156	4,280	28.24%	\$14.50	N/A	Jason's Deli, Massage Envy
72 Plaza 970 S 72nd St	5	1996/2003	Eric Dawson	29,639	0	0.00%	N/A	N/A	Pump it Up
72nd Crossing SEC 72nd & Jones St	4	1989	The Lerner Company Dennis Thamer/Bob Kurylo	96,657	2,400	2.48%	\$14.00	\$16.00	Office Depot, PetsMart
72nd Pacific Plaza NWC 72nd & Pacific St	5	2001	Mark Van Arsdel	15,855	0	0.00%	\$15.00	N/A	Northern Tool
74 Dodge Plaza SWC 74th & W Dodge Rd	4	1985	The Lerner Company Ben Meier/Frank Barber	39,907	14,820	37.14%	\$12.00	\$25.00	Longhorn Steakhouse
74 Pacific Plaza NEC 74th & Pacific St	5	1972	Investors Realty Jerry Huber	26,400	3,081	11.67%	\$15.00	N/A	Pepperjacks 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	35,944	5,541	15.42%	\$11.50	\$12.00	New York Pizzeria, Tuesday Morning, Sherwin Williams
84th & F Plaza 4087 S 84th St	5	1985	CB Richard Ellis Dale Scott/Tracy Earnest	25,650	8,940	34.85%	\$11.00	N/A	UPS Store, Internet Car Lot
9421 Q Street	5	1972	CB Richard Ellis, Tracy Earnest/Dale Scott	16,200	0	0.00%	\$5.00	N/A	Furniture Enterprises
ACE Hardware/CJ's Home Center 8018 Harrison St	5	1999	Charles K Huff	18,544	0	0.00%	N/A	N/A	ACE Hardware/ CJ's Home Store
Aksarben Place I & II SWC 63rd & Center St	5	2007	Magnum Realty, Inc. Joe Kutilek	19,208	0	0.00%	\$20.00	\$25.00	Jimmy D's, Great Clips, Aspen Athletic
Aksarben Village NWC 63rd & Center St	4	2008	Colliers International Kyle Peterson/Adam Marek	77,147	0	0.00%	N/A	N/A	Wohlner's
Aksarben Village - Zone 5, Bldg 3 NWC 67th & Mercy	4	2010	Magnum Realty, Inc. Joe Kutilek	80,201	0	0.00%	\$25.00	N/A	Aksarben Cinema, Aspen Athletic
Anthony's 72nd & F	5	1967	Anthony, Inc	21,305	0	0.00%	N/A	N/A	Anthony's
Applewood Centre SWC 96th & Q St	3	1989	Colliers International Adam Marek/Chris Mensinger	101,130	16,826	16.64%	\$10.00	\$15.00	Hy-Vee
Applewood Plaza SEC 96th & Q St	5	1985/1998	NAI/NP Dodge Julia Roberts/Chris Falcone	23,232	8,250	35.51%	\$12.00	N/A	Subway, Curves, China Buffet, Alegent
Beverly Hills Plaza NWC 78th & W Dodge Rd	4	1955	First Management Inc. Randall Wieseler	48,778	0	0.00%	\$20.00	N/A	Jerry Ryan's, Jam's, Beauty First
Beverly Plaza SWC 78th & W Dodge Rd	4	1999	7 Oaks Investments Paul Waggener	31,280	0	0.00%	\$18.00	\$23.00	Beauty Brands, Panera Bread
Canfield Plaza SWC 84th & W Center Rd	3	1970	Investors Realty Brian Kuehl	186,602	8,295	4.45%	\$7.50	\$7.50	Canfield's, Westlake Ace Hardware
Cedarmole Shopping Plaza 72nd & Jones St	4	1971	Investors Realty John Heine/Brian Farrell	33,955	1,200	3.53%	\$7.00	\$10.00	National MS Society, Mattress People
Cinema Center Building 8282 S 82nd St	4	1967	CB Richard Ellis Dean Hokanson/Dennis Hoth	49,400	49,400	100.00%	N/A	N/A	Fmr Cinema Center
Clocktower Village SWC 98th & Nicholas St	4	1983	Lund Company Holly Jones	43,816	5,546	12.66%	\$16.50	N/A	America's Best, Salon Tino, Casual Male
Countryside Village NEC 87th & Pacific St	4	1953	World Group Jeff Johnson	60,000	5,360	8.93%	\$26.50	\$29.50	Starbucks, Market Basket
Crossroads Crossing 201 S 72nd St	5	2004	Colliers International Cindi Cisar	15,000	0	0.00%	N/A	N/A	Chipotle, Noodles & Co, Starbucks
Crossroads Mall NWC 72nd & W Dodge Rd	2	1960	The Lerner Company Bob Kurylo	754,636	359,050	47.58%	N/A	N/A	Barnes & Noble, Sears, Target
Crossroads Plaza NWC 76th & W Dodge Rd	4	1984	Colliers International Pam Beardslee	86,647	2,083	2.40%	\$15.00	N/A	Bag N Save
CVS 8315 W Center Rd	5	2012	Nebraska CVS Pharmacy LLC	13,232	0	0.00%	N/A	N/A	CVS
Empire Park NWC 108th & Q St	3	1979	Colliers International Terry Root	118,166	14,665	12.41%	\$14.00	\$19.75	Bag 'n Save
Ethan Allen 10820 Pacific St	5	1979		26,902	0	0.00%	N/A	N/A	Ethan Allen
Exec West Retail SWC 96th & L St	5	1989	Colliers International Chris Mensinger	17,758	1,933	10.89%	\$9.00	N/A	UMB Bank, Concentra, Fast Signs
Former Borders SWC 72nd & W Dodge Rd	5	1996	Agree REIT	28,176	28,176	100.00%	N/A	N/A	
Frederick Plaza 8505 Frederick St	5	1976	Sanoma, LLC	22,556	0	0.00%	N/A	N/A	Vic's Corn Popper, Wild Bird Junction
Frederick Square SEC 84th & Frederick St	3	1973	World Group Trenton Magid	195,823	20,853	10.65%	\$9.00	\$11.00	ShopKo
Furniture Row 119 N 72nd St	4	1961	Furniture Row USA	\$31,590	0	0.00%	N/A	N/A	Furniture Row
Galleria Plaza SWC 108th & O St	4	1984	Colliers International Terry Root	31,225	1,540	4.93%	\$12.00	N/A	Valentino's Pizza

2012 Year End Review - Omaha Retail Market Summary

South Central Submarket

are located in the South Central submarket. Westroads and Crossroads are separated by just two miles, but have experienced very different recent histories. Westroads Mall, a General Growth Property, weathered the economic storm quite well with relatively low vacancy and strong sales performance. Westroads has established its position as Omaha's best performing enclosed mall in terms of annual gross sales, now trending at approximately \$478 per square foot. Speculation around what will happen with Crossroads Mall continues as Century Development, the ownership interest, evaluates a new merchandising strategy for a mixed use project. At the same intersection on the Southwest corner of 72nd & Dodge, the 28,126 square foot two story former Borders building was acquired by a local owner who has it on the market for lease.

One Pacific Place and Regency Court are two truly unique projects in Omaha. Although they are relatively small compared to Omaha's larger enclosed malls and lifestyle centers, they have shown their resiliency and ability to compete for some of Omaha's most desired retailers. Since the arrival of Trader Joe's at One Pacific Place, the shopping center has been able to chip away at the vacancy, maintaining a heavy retail component in combination with more service type providers than seen in the past. The tenant mix at Regency Court is unique with a combination of both national and well established local retailers. Regency Court reshuffled the tenant mix, relocating longtime tenant, Garbo's Salon to the former Kobe Steakhouse space in order to accommodate Ann Taylor, who relocated from One Pacific Place, securing strong occupancy levels near 97% in 2012.

In terms of new development, Menard's broke ground on an approximate 160,000 square foot home improvement store on the northwest corner of 72nd & L Street in Ralston in 2012. Menard's will neighbor the new Ralston Arena which opened in October, 2012. This marks the first new big box development in the South Central submarket since Wal-Mart Supercenter on 72nd & Pine Street in 2008.

Forecast for 2013

With the exception of the new Menard's in Ralston set to open in 2013, very little new retail space is planned for delivery in 2013 in the South Central submarket. On the horizon, there are a handful of projects scheduled to break ground in the next twelve to eighteen months. These include the new 100,000 square foot Gordman's headquarters building at Aksarben Village on 67th & Frances. The joint venture project between Waitt Co and Noddle Companies plans to break ground in March of 2013 and the building will accommodate about 30,000 square feet of unrelated retail space. The synergy surrounding Aksarben Village has created additional demand for both office and retail space so it is likely that Magnum in a joint venture with McNeil Company, the developer, will also commence construction on a new multi-story building on the lot immediately south of the Aksarben Theater building, which will include about 30,000 square feet of retail space on the first floor. The Loveland redevelopment will be the next infill redevelopment to keep an eye on. The former strip building on the Northeast corner of 90th & Center was demolished toward the end of 2011 and although plans have been drafted there is no definitive timeline for construction.

Although the project is not likely to commence for another two years or more, great anticipation surrounds the timing and vision of the Crossroads Mall Redevelopment. Preliminary plans from the owner, Frank Krejci, and his development partner OTB Destination call for the existing mall to be demolished and replaced with a mixed use, open-air retail and commercial development. The 45 acre redevelopment plans include a 135-room hotel, 60 to 80 new retail stores and restaurants, 200,000 square feet of new office space, and 400-500 residential units.

Although the so-called fiscal cliff has certainly impacted consumer confidence and retail spending over the last quarter of 2012, we believe it is likely that vacancy rates will continue to come down slightly in the South Central submarket over the next twelve to eighteen months. Many credit worthy retailers continue to keep tabs on the submarket, particularly the coveted 72nd & Dodge area. One of the big unknowns on a national scale is what the future will hold for the major office supply chain stores with speculation that two of the largest three chains could merge in the near future. All three major chain stores; Staples, Office Depot, and Office Max have a notable presence in the 72nd & Dodge trade area. Despite the uncertainties, we are cautiously optimistic that we will see a gradual recovery continue in the South Central submarket over the next year.



Heritage Plaza NEC 76th & W Dodge Rd	3	1982	Lund Company Kurt Weeder	101,000	6,361	6.30%	\$5.00	\$13.00	Toys "R" Us, Buffalo Wild Wings
Hilltop Plaza 108th & W Center Rd	5	1988	Colliers International Terry Root	18,255	6,327	34.66%	\$12.00	N/A	Stars Dance Academy, Bridal Traditions
Hy-Vee SWC 90th & W Center Rd	4	1999	Hy-Vee, Inc.	\$62,808	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 Plaza 72nd & L St	3	1961/2001	CB Richard Ellis Gerard Daly	162,800	19,843	12.19%	\$4.00	\$8.00	Kush Furniture
Lowe's SEC 76th & W Dodge Rd	3	2001	Lowe's Home Center	\$138,789	0	0.00%	N/A	N/A	Lowe's
Main Street Plaza 5405 S 72nd St	5	2006	NAI/NP Dodge Jeff Johnson/Deb Graeve	24,588	16,816	68.39%	\$15.50	N/A	Anchor Inn
Mid City Plaza NEC 84th & G St	5	1986	NAI/NP Dodge Jack Degan	16,240	2,030	12.50%	\$9.75	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 Plz	4	1980		46,614	8,717	18.70%	\$11.00	N/A	Goodwill, Hector's
Office Max 6940 Dodge St	4	1996	Kalihi Kai Partners	\$30,098	0	0.00%	N/A	N/A	Office Max
One Pacific Place SWC 103rd & Pacific St	4	1987/2010	CB Richard Ellis Jason Ruegg/Dennis Hoth	91,537	3,465	3.79%	Neg	Neg	Trader Joe's, Banana Republic, Ruby Tuesday's, Wheatfield's
Pacific Village SEC 78th & Pacific St	5	1966	Marcon Enterprises LLC Bernie Conway	18,200	4,870	26.76%	\$16.00	\$18.00	State Farm Insurance, Interlude Lounge
Park Drive Shopping Center 8430 Park Dr	3	1970	CB Richard Ellis Jason Ruegge	104,000	4,050	3.89%	\$10.00	\$16.00	Dollar General, Brewsky's, Spaghetti Works
Peony Park NWC 78th & Cass St	4	1996	Dial Properties Amber Hansen	87,122	0	0.00%	N/A	N/A	Hy-Vee
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 72 NWC 72nd & Harrison	5	1986	Lund Company Justin Riviera	27,550	12,500	45.37%	\$9.50	\$10.00	State Farm Insurance, Harrison Street Animal Hospital
Place 96 SEC 96th & L St	5	1974	Lund Company Kurt Weeder	24,231	3,862	15.94%	\$10.50	N/A	Wells Fargo Bank, Edward Jones
Plaza 72 NWC 72nd & Jones St	5	1979	McGregor Interests Geoff McGregor	15,503	0	0.00%	N/A	N/A	Smash Burger, TREK, H & R Block
Ralston Town Square 72nd & Main St	5	2004	Investors Realty Pat Regan	27,850	2,685	9.64%	\$15.50	\$15.50	First State Bank
Regency Court Regency Pkwy & Regency Cir	3	1974	RED Development/Lund Company Tamie Osterloh/Holly Jones	162,096	5,911	3.65%	\$25.00	\$45.00	Pottery Barn, Borsheims, Williams & Sonoma, Anthropologie
Rockbrook Village SWC 108th & W Center Rd	3	1960/2006	Colliers International Cindi Cisar	170,606	7,050	4.13%	Undiscl	Undiscl	Post & Nickel, Great Harvest Bread, Pasta Amore, Body Basics, Category 1, Corkscrew
Roxbury Plaza NWC 108th & Q St	4	1977	Investors Realty John Dickerson	31,104	5,044	16.22%	\$7.50	\$7.50	
Shaker Place NEC 107th & Pacific St	4	1970	Investors Realty John Dickerson	36,035	4,719	13.10%	\$11.00	\$11.00	Blue Martini, Minute Man Printing
Shoppes at Aksarben Village SEC 72nd & Pacific St	4	2005	Colliers International Adam Marek	57,280	2,000	3.49%	\$25.00	N/A	Bed Bath & Beyond
Spirit World Building SWC 75th & Pacific St	5	1986	The Lerner Company Ben Meier	26,000	0	0.00%	N/A	N/A	Spirit World
Sports Authority NEC 72nd & Rose Blumkin Dr	4	1997	The Lerner Company 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	0	0.00%	\$14.00	N/A	Staples
Walgreens 9001 W Center Rd	5	1998	Center 90 LLC	\$13,698	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 8380 Harrison St	5	1999	Walgreen Co.	\$12,808	\$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 St	3	2008	Wal-Mart Stores, Inc.	\$217,750	\$0	0.00%	N/A	N/A	Wal-Mart Supercenter
Westgate Plaza NEC 84th & Grover St	3	1960	Roger's Construction Mike Rogers	104,000	12,878	12.38%	\$10.00 MG	N/A	Mangelsen's/Farmhouse, Hancock Fabrics
Westroads Mall NEC 102nd & W Dodge Rd	1	1968	General Growth Properties Jim Sadler/Jim Majzan	1,210,156	23,900	1.97%	\$10.00	\$70.00	Von Maur, Younkers, 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 Steve Gettman	20,113	20,113	100.00%	\$13.00	N/A	
South Central Submarket Totals				6,361,186	785,780	12.35%			
Menards, SWC 72nd & L St	3	2013		160,000					Menards
South Central New Construction Totals				160,000					

Year End Review 2012 - Omaha Retail Market Summary

East Submarket

The East 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 core areas of the East submarket; Downtown Omaha, Saddle Creek, Midtown, Florence and South Omaha, are all mature areas having virtually no previously undeveloped commercial ground. Any new development consists of projects constructed on ground reclaimed from dated and/or obsolete properties that have been razed or the redevelopment of existing structures.

The Lerner Company surveyed 35 retail properties in this submarket totaling in excess of 1.9 million square feet of space. The vacancy rate of 20.1% (396,024 square feet) is the highest in the Omaha MSA and reflects a slight increase from the 2011 rate of 392,324 square feet. 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 primarily in the moderate range from \$4.50 to \$18.00 per square foot for existing properties to the upper range of \$25.00 to \$30.00 per square foot for the upscale Midtown Crossing and Capitol District projects.

Demographic analysis shows that there are two obvious areas of strength in the East submarket. First, the overall population equates to approximately 22% of the entire market surveyed. The second area of demographic strength is the high level of daytime employment. 6,924 businesses and 126,579 employees inhabit the East submarket. This number equates to 26% of all daytime employees. Locating the right development or target business within reach of this group could prove fruitful. Conversely, the average household income is 38% below the average for the entire market surveyed and the median home value is 34% below the median home value for the entire market. While the sheer number of people residing within this submarket would be considered appealing by many developers and most retail businesses, when coupled with the lowest incomes in the overall market, the potential for any significant retail development to occur in the East submarket is dubious.

The hub of new planned activity is mainly centered in the area of the CenturyLink Center and Ameritrade Park Stadium. The Capitol District is a proposed development that is on the drawing board at the intersection of 10th Street and Capitol Avenue. In an effort to maximize the potential of this prime property on the doorstep of the CenturyLink Center, the City has selected Shamrock Development as the master developer for this project which will convert the existing

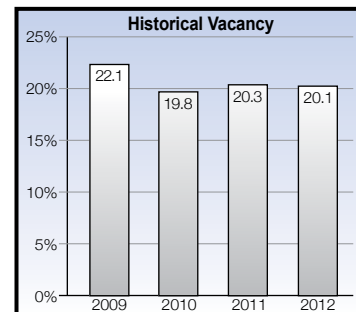
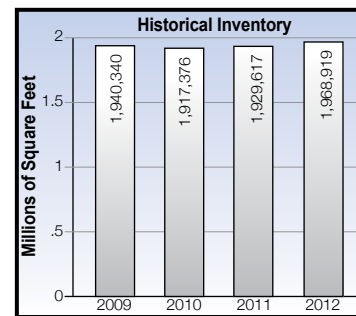
surface parking lots now used for the CenturyLink Center. Final plans call for a 350-room, 14-story Marriott Hotel, 280 apartments, a parking garage, 120,000 square feet of retail and 150,000 square feet of office space.

The hospitality segment remains the brightest star in the East. Over the past five years several hotels have sprung up around the CenturyLink Center. Following that trend in the East Submarket, a new, ground-up 9 story, 159 room Hyatt broke ground in 2012 at the corner of 12th & Jackson in the Old Market area. It is slated for a late 2013 or early 2014 opening. The old Omaha Federal Building at the corner of 15th & Dodge is undergoing a \$23 million redevelopment and will emerge as a Residence Inn by Marriott. The 12 story art-deco style building will offer 152 guest rooms.

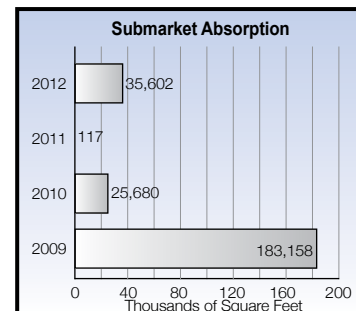
The institutional and governmental entities in the East submarket are an important force behind a large portion of the area's economic and commercial development. On-going projects and acquisitions by University of Nebraska Medical Center, The Lied Transplant Center, Creighton University and Creighton Medical Center have created vitality that plays a major role in keeping this area active.

Forecast for 2013

The service industry will provide the lion's share of activity as it continues to map out a path to cashing in on the large daytime demographic numbers and business interaction that the East Submarket has to offer. The retail sector will face long odds in convincing developers to move forward as retailers are requiring the developer to commit most or all of the financial resources for any new projects. The population numbers already exist in the area however a movement towards higher household incomes will be a key to the future of retail development in the East Submarket.



East Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	0	0	0.00%
Size 2	0	0	0.00%
Size 3	8	1,025,734	25.41%
Size 4	13	687,991	14.26%
Size 5	14	255,194	14.60%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacant	2012 Rate 1	2012 Rate 2	Anchor
360 N Saddle Creek Road SSWC Capitol Ave & Saddle Creek Rd	3	1994	CB Richard Ellis Nancy K Johnson/ Jim Maenner	119,240	119,240	100.00%	\$4.00	\$12.00	
48th Street Square 4827 L St	4	1999	Colliers International Adam Marek	32,654	1,400	4.29%	\$13.00	N/A	H&R Block, Dollar General
Auto Zone NEC 50th & W Center Rd	5	1999	Marathon Realty	15,601	0	0.00%	N/A	N/A	Auto Zone
Baker Place NWC 50th & Ames Ave	3	1965/1987	The Lerner Company Erin Pogge/Rick Quinlevan	116,950	86,012	73.55%	\$4.50	\$18.00	Family Dollar, First National Bank, UNMC
Baker's SWC Saddle Creek Rd & Leavenworth St	4	1989	Dillon Stores	63,632	0	0.00%	N/A	N/A	Baker's
Big Kmart Plaza NWC 50th & L St	3	1967	World Group Trenton Magid	121,977	2,070	1.70%	\$16.00	N/A	Kmart
Capitol District 10th & Capitol Ave	5	1928/2003	Investors Realty Mike Moylan/Pat Regan	42,000	8,295	19.75%	\$25.00	N/A	Century Link Center Arena
CVS 4840 Dodge St	5	2011	Nebraska CVS Pharmacy LLC	\$13,194	0	0.00%	N/A	N/A	CVS
Grover Plaza SWC 50th & Grover St	4	1966	Alandell Properties Albert Feldmen	57,440	0	0.00%	N/A	N/A	Bag 'n Save
Hy-Vee NEC 52nd & W Center Rd	4	2004	Hy-Vee, Inc.	\$65,732	0	0.00%	N/A	N/A	Hy-Vee
Kellom Valley NWC 24th & Cuming	5	1987	Lund Company Marty Patzner/Toni Flynn	23,307	2,444	10.49%	\$10.50	N/A	China Taste
Long School Marketplace 24th & Hamilton St	4	2005	Omaha Economic Dev. Corp. Michael Schultz	22,740	11,183	49.18%	\$8.00	\$11.00	Family Dollar, Jackson Hewitt
Midtown Crossing 33rd & Dodge St	3	2006	Lund Company/RED Development Holly Jones/Tami Osterloh	223,472	33,619	15.04%	\$25.00	\$30.00	Prairie Life Fitness Center, Marcus Theatres, Tru Salon and Spa, Wohlner's Grocery
Midtown Plaza NEC Saddle Creek Rd & California St	3	1991	First Management Inc. Randall Wieseler	105,000	1,250	1.19%	\$12.00	N/A	No Frills
No Frills Supermarket NEC 36th & Q St	4	1981	The Lerner Company Boh Kurylo	39,317	0	0.00%	N/A	N/A	No Frills
Old Market Lofts 10th & Jones St	4	1910/200	CB Richard Ellis Scott Schneiderman	36,700	8,852	24.12%	\$11.00	N/A	Nomad Lounge
Plaza Q 36 NEC 36th & Q St	4	1971	Gordman Properties Jerry Gordman/Deborah Smith	84,000	46,325	55.15%	\$6.00	N/A	Thrft World, Family Dollar
Saddle Creek Complex 1330 Webster St	4	2006	Colliers International Kyle Peterson	56,279	0	0.00%	N/A	N/A	Urban Outfitters, American Apparel, Film Streams, Slowdown
Southwest Plaza, LLC NEC 50th & L St	5	1964	CBS Home Jim Posey	23,529	700	2.98%	\$8.50	N/A	Lansky's Restaurant
Spring Valley SWC 50th & F St	3	1990	The Lerner Company Erin Pogge/Rick Quinlevan	115,166	1,600	1.39%	\$12.50	\$14.50	No Frills, West Lake Hardware, Douglas County Treasurer
Stockyards Plaza II SEC 36th & L St	5	1988	Perkins Properties Erin Pogge	25,810	25,810	100.00%	\$7.00	N/A	Former Movie Theater
Stockyards Plaza SEC 36th & L St	3	1990	Perkins Properties Erin Pogge	103,649	11,854	11.44%	\$10.00	\$12.50	Hy-Vee
Sutherlands Plaza 2910 K Street	4	1980	Lund Company, Mike Earl/Marty Patzner/Justin Riviera	61,000	4,830	7.92%	\$7.50	N/A	Aldi Foods, Dollar Tree, Aaron's Rent-to-Own
The Pavilion at the Brandeis 16th & Douglas St	4	1894/2006	NAI/NP Dodge Julia Roberts	33,100	15,508	46.85%	\$12.00	\$25.00	
Vinton Square NWC 24th & Vinton St	4	1981	The Lerner Company Erin Pogge/Rick Quinlevan	103,806	4,332	4.17%	\$12.50	\$14.00	No Frills
Walgreens 225 N Saddle Creek Rd	5	2003	Clayton Properties II LLC	\$13,578	0	0.00%	N/A	N/A	Walgreens
Walgreens 2323 L St	5	1999	BDRE L Street LLC	13,905	0	0.00%	N/A	N/A	Walgreens
Walgreens 3001 Dodge St	5	2002	WG Omaha Realty LLC	14,530	0	0.00%	N/A	N/A	Walgreens
Walgreens 3005 Lake St	5	1999	BDRE Lake LLC	13,776	0	0.00%	N/A	N/A	Walgreens
Walgreens 3121 South 24th St	5	2002	Twenty Three Hundred	\$14,530	0	0.00%	N/A	N/A	Walgreens
Walgreens 4310 Ames Ave	5	2002	DAHO LLC	14,530	0	0.00%	N/A	N/A	Walgreens
Walgreens 5038 W Center St	5	2004	Walgreen Co.	\$13,500	\$0	0.00%	N/A	N/A	Walgreens
Walgreens 7202 North 30th St	5	1995	Marathon Properties LLC	13,404	0	0.00%	N/A	N/A	Walgreens
Wallcreek Plaza 344-350 N Saddle Creek Rd	4	1968	Colliers International Terry Root	31,591	5,700	18.04%	\$16.50	N/A	Westlake Ace Hardware, Panera Bread, Cici's Pizza
Weber Place SWC 30th & Forest Lawn Ave	3	1988	The Lerner Company Dennis Thaemert/Boh Kurylo	120,280	5,000	4.16%	\$9.00	\$12.50	No Frills, Dollar Tree
East Downtown Submarket Totals				1,968,919	396,024	20.11%			
Wal-Mart Neighborhood Center 51st & L	4	2013		35,000					Wal-Mart Neighborhood Market
East Downtown New Construction Totals				35,000					

Year End Review 2012 - Omaha Retail Market Summary

Sarpy Submarket

The Sarpy 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. Retailers continue to be attracted to this area due to the historical and anticipated strong growth patterns in the submarket.

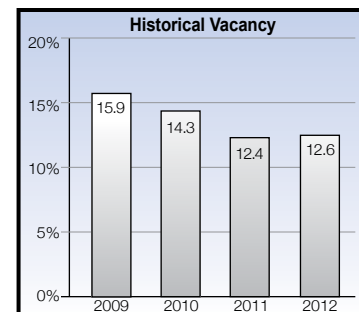
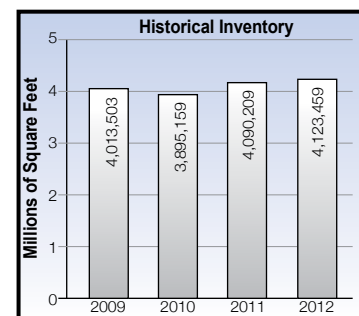
The Lerner Company surveyed 44 retail properties in the submarket totaling nearly 4.1 million square feet. The vacancy rate of 12.5% represents 517,678 square feet, which is approximately the same as previous year's vacancy rate of 12.4% and 1.8% lower than the vacancy rate of 14.3% in 2011. Although the vacancy rate remained relatively unchanged from the prior year, the strength of the submarket is not in question. In fact, over the last several years, the Sarpy submarket has proven itself one of the faster submarkets to recover from the recent economic downturn. Frankly, the last remaining hurdle for the Sarpy submarket to overcome can be found at the intersection of 84th & Giles. Brentwood Square, Brentwood Village, and Brentwood Crossing contribute a combined 300,000 square feet of vacant square footage, nearly 60% of the total vacancy in the submarket. Quoted small shop rental rates in the submarket generally range from \$10.00 to \$22.00 per square foot, which is virtually unchanged from prior year rent levels. At Shadow Lake Towne Center, the submarket's premier retail shopping destination, the rental rate range is \$20.00 to \$30.00 per square foot, which reflects a slight improvement over the rent level from the prior year.

Overall, the strength of the Sarpy submarket remains unchanged with such compelling economic and community drivers as Offutt Air Force Base, excellent school districts, attractiveness of the residential communities, and strong demographics. The submarket's population continues to grow in an impressive style with an estimated population of 127,740 in 2012, representing a nearly 4% annual increase over the prior year. The median household income in the Sarpy submarket is \$68,357, which represents one of the higher levels in the Omaha trade area. All of these positives will ultimately contribute over time to addressing any current short comings the market currently possesses.

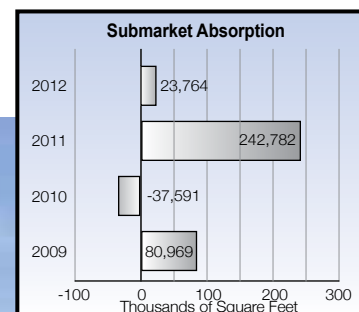
Forecast for 2013

Last year's forecast suggested growing optimism as the best way to describe the 2012 outlook. The best descriptor for the 2013 outlook is continued optimism. Pointing the way is the introduction of Walmart's Neighborhood Markets into Sarpy County, including their Bellevue location at 25th & Capehart as well as the future

location at 96th & Giles. Additionally, Settler's Creek, a 250,000+ square foot project, located on the Northeast corner of 72nd and Cornhusker continues to progress with the addition of Hobby Lobby. The introduction of new retailers into the submarket speaks volumes as to the perceived market strength by retailers and consumers alike, with Sarpy the recipient of two Chick-Fil-A's and potentially the first Dunkin Donuts in the market. And, it's not just retail, but mixed use developments like Midlands Place at 84th & Hwy. 370, a premiere office, small shop retail and hospitality project as well as SAC Federal Credit Union's commitment to a new corporate headquarters at 72nd & Hwy. 370. All of this new development and planned development comes on the heels of the relatively new Werner Park, home of the Omaha Storm Chasers as well as the blossoming of the commercial node at 126th & Giles with its presence of corporate offices, hotels, restaurants, and service retail. Furthermore, Maryland based Cordish Company is still promoting its announced development of Southport West, a 435,000 square foot outlet and entertainment center, to be located adjacent to Cabela's at 126th & Giles. However, the likelihood of anything happening quickly at Southport West is highly doubtful but not because of economic malaise, rather due to stiff competition from Omaha Century Development and OTB Destination, the redevelopers of Nebraska Crossing Outlet. The new outlet will feature as many as 60 retailers eventually occupying approximately 300,000 square feet, of which more than 25 retailers have reportedly committed to the project.



Sarpy Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	0	0	0.00%
Size 2	3	1,490,850	4.84%
Size 3	8	1,271,721	25.72%
Size 4	13	966,618	6.98%
Size 5	20	394,270	12.93%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacancy	2012 Rate 1	2012 Rate 2	Anchor
25th Place 25th & Ponderosa Dr	5	1986	CB Richard Ellis Jason Ruegg	22,000	0	0.00%	\$9.75	N/A	Bellevue Dance Academy
American Plaza NEC Galvin Rd & Harvell Dr	3	1986	The Lerner Company Lindsay Kilough/Boh Kurylo	171,000	19,027	11.13%	\$8.50	\$11.00	Baker's, ShopKo
Bag 'n Save SEC 51st & Harrison St	4	1966	Bag 'n Save	44,940	0	0.00%	N/A	N/A	Bag 'n Save
Bellevue Plaza (Former No Frills Plaza) NEC Wilshire Ln & Hwy 370	3	1972	Colliers International Pam Beardslee	149,618	19,834	13.26%	\$7.00	N/A	No Frills, Big Lots
Brentwood Business Building 8610 Brentwood Dr	5	2000	CB Richard Ellis Scott Schneiderman	19,603	2,000	10.20%	\$8.00	N/A	Face to Face Salon & Spa, Susan G Komen for the Cure
Brentwood Crossing NEC 84th & Brentwood Dr	3	1993	TKG Management Adam Hartig	233,855	160,401	68.59%	Neg	Neg	Hobby Lobby
Brentwood Plaza NWC 84th & Brentwood Dr	5	1980	CB Richard Ellis Tracy Earnest	17,317	11,277	65.12%	\$4.25	\$9.90	Just Hair/Pro Hair
Brentwood Square NWC 84th & Giles Rd	3	1980	First Management Inc./World Group Randy Weisler/Trenton Magid	124,040	61,648	49.70%	\$10.00	N/A	Dollar Tree
Brentwood Square II NWC 84th & Giles Rd	3	1980	Lund Company Howard Shriver	89,359	60,910	68.16%	\$5.50	N/A	Office Depot
Brentwood Village NEC 84th & Giles Rd	4	1997	NAI/NP Dodge Gary Kuklin	35,320	17,100	48.41%	\$10.00	\$12.00	Beauty First, Blimpies, Ashley Lynne's, Gamers
Cabela's SWC 126th & I-80	3	1985	CB Richard Ellis Dean Hokanson Sr	127,876	0	0.00%	N/A	N/A	
Capehart Square 25th & Capehart Rd	5	1990	CB Richard Ellis Jason Ruegg	26,000	6,000	23.08%	\$9.00	\$9.75	Ashley Lynn's
Cornhusker Center SEC 21st & Cornhusker Rd	3	2000	Dial Properties Brett Heimes	175,180	5,225	2.98%	\$13.00	N/A	Menards, Famous Dave's
Cornhusker Plaza NEC 25th & Cornhusker Rd	4	1988	West 25th Plaza Inc. Ed Gilbert	34,913	0	0.00%	\$11.00	N/A	Subway, Sear's Homestore
CVS 1701 S Galvin Rd	5	2011		13,220	0	0.00%	N/A	N/A	CVS
CVS 6907 S 84th St	5	2012		14,500	0	0.00%	N/A	N/A	CVS
Emporium Plaza NEC Galvin Rd & JF Kennedy Dr	5	1975	Investors Realty Brian Farrell	17,679	2,644	14.96%	\$7.50	\$12.00	Jammer's Pub
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	0	0.00%	\$10.00	\$12.00	Westlake Ace Hardware, Wells Fargo Bank
Harrison Square SEC 36th & Harrison St	4	1972	Lund Company Kurt Weeder	60,177	8,426	14.00%	\$6.00	\$9.00	Dollar General, Walgreens
Harrison Square SWC 39th & Harrison St	5	1958	Colliers International Cori Adcock	31,580	4,752	15.05%	\$7.50	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 Rd	5	2005	Investors Realty Pat Regan	16,215	1,846	11.38%	N/A	\$24.00	H&R Block, UPS Store, Midwest Eyecare
No Frills Supermarket SWC 84th & Giles Rd	4	2009	Colliers International Pam Beardslee	86,089	14,600	16.96%	\$7.50	N/A	No Frills
No Frills Supermarket SEC Fort Crook & Childs Rd	4	1984	No Frills Realty LLC	66,930	0	0.00%	N/A	N/A	No Frills
One Giles Place SWC 96th & Giles Rd	5	2006	Investors Realty Brian Kuehl/Brian Farrell	15,488	5,115	33.03%	\$12.00	\$12.00	Children's Physicians, Dominos, State Farm
One Val Verde Place SWC 96th & Giles Rd	4	1977	Investors Realty Brian Kuehl/Brian Farrell	47,505	10,039	21.13%	\$11.00	N/A	Val Verde Animal Hospital, Remax, JB Salon
Papio Pointe 741 Pinnacle Dr	5	2004	CB Richard Ellis, Michael Kaufman/Jami Heidemann/Larry Meyerson	23,654	0	0.00%	\$10.50	\$13.50	Scooters, Papillion Chiropractic, Lifegate Church
Shadow Lake Towne Center SWC 72nd & Hwy 370	2	2007	The Lerner Company/RED Development Rick Quinlevan/Tamie Osterloh	704,923	72,181	10.24%	\$20.00	\$30.00	Best Buy, PetsMart, Hy-Vee, Borders, JC Penney, Dicks, Gordmans
Shoppes at Hickory Hills SWC 72nd & Giles Rd	5	2009	CB Richard Ellis Scott Schneiderman/Jason Ruegg	19,180	0	0.00%	\$18.00	N/A	Trek Bicycle, Max I Walker
Shoppes at Tregaron 2211 Capehart Rd	5	2006	NAI/NP Dodge Tom Failla	18,312	0	0.00%	\$14.50	N/A	Scooters, Ferrell's Extreme Body Shaping
Southport Center Giles Rd & Eastport Pkwy	5	2008	World Group Scott Moore	20,430	1,213	5.94%	\$11.00	N/A	Jimmy John's
Star Park NEC 36th & Chandler Rd	5	2004	World Group Nancy Klauschie	19,500	10,500	53.85%	\$8.00	N/A	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	10,361	10.87%	\$7.00	\$9.95	24 Hour Fitness, Dollar General
The Shoppes at Market Pointe SEC 72nd & Giles Rd	2	2005	CB Richard Ellis Heidi Rush	470,314	0	0.00%	\$22.00	N/A	Wal-Mart Supercenter, Lowe's, Kohl's
The Shops at Daniell Crossing NEC 36th & Hwy 370	5	2002	Lamb Real Estate Mark Lamb	28,836	5,640	19.56%	\$15.00	N/A	The Asthma and Allergy Center
Twin Creek NWC 36th & Hwy 370	4	1968/2004	CB Richard Ellis Mark Obermeyer/Heidi Rush	248,206	6,939	2.80%	\$14.00	\$15.25	Baker's, Target
Twin Creek Cinema 3909 Raynor Pkwy	4	2003	Marcus Theaters	75,000	0	0.00%	N/A	N/A	Twin Creek Cinema
Walgreens SEC 72nd & Settlers Creek Dr	5	2009	Village Development	14,820	0	0.00%	N/A	N/A	Walgreens
Walgreens SEC 96th & Hwy 370	5	2008	Village Development	14,924	0	0.00%	N/A	N/A	Walgreens
Walgreens SWC Galvin Rd & Hwy 370	5	1995	Walgreen Co	16,528	0	0.00%	N/A	N/A	Walgreens
Walnut Creek Village SWC 96th & Hwy 370	4	2007	First Management Inc. Eric Wieseler	32,577	0	0.00%	\$13.50	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				4,123,459	517,678	12.55%			
Harrison Heights SEC 78th & Harrison	5	2013	NAI/NP Dodge Vic Pelster	15,400			\$12.50		
Settler's Creek NEC 72nd & Cornhusker	4	2013		55,000			N/A	N/A	Hobby Lobby
Wal-Mart Neighborhood Market SEC 25th & Capehart Rd	4	2013		42,202					Wal-Mart Neighborhood Market
Sarpy New Construction Totals				112,602					

Year End Review 2012 - Omaha Retail Market Summary

Council Bluffs Submarket

This submarket is comprised of the western half of Pottawattamie County, Iowa. Generally speaking, the Council Bluffs submarket has lower household income and much lower population density than the comparable figures for the entire Metro Omaha market. The total population residing within the submarket is just less than 74,000 and the median household income is \$50,804 versus \$62,633 for Metro Omaha. The Council Bluffs retail market continues to struggle somewhat with the vacancy aftermath caused by the development of approximately 1 million square feet of retail space over the past decade. While there has been some downside to the growth, especially for Mall of the Bluffs, Council Bluffs residents undoubtedly do not miss the once required drive to Omaha to shop the likes of TJ Maxx, Bed Bath & Beyond, Hobby Lobby, PetSmart, Shoe Carnival and many other new entrants to the market.

The Lerner Company surveyed 29 retail properties within the Council Bluffs submarket, which now contains almost 3.5 million square feet. The vacancy rate increased 1.75% from 2011 to 2012 to 17.76% which represents 607,232 square feet. It is the second highest level of vacancy percentage found in the seven submarkets in Metro Omaha. Half of the vacancy is contained within Mall of the Bluffs, which was mortally wounded by the development of the new power centers, Metro Crossing and 24th Street Marketplace, and is no longer considered a viable enclosed regional mall. The Mall of the Bluffs sole remaining anchor tenant, Dillard's, turned into a Clearance Center in 2011 and Sears officially closed in the first quarter of 2013. Excluding Mall of the Bluffs, the vacancy in the remainder of the submarket stands at only 5.7%, which would be the lowest in Omaha market.

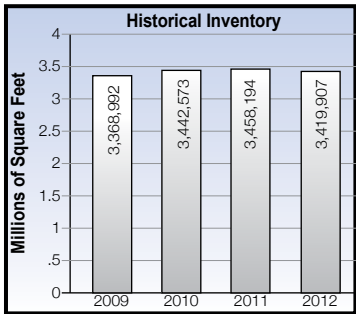
Approximately 100,000 square feet was removed from the market in preparation for a new Wal-Mart (expected construction to begin in 2013) on North 16th Street and Hwy 192 in a space previously occupied by Hy-Vee. Prevailing small shop rents have steadied and now generally range from \$8.00 to \$12.00 for existing properties, and \$15.00 to \$25.00 for the small shops at Metro Crossing and 24th Street Marketplace.

The only notable new construction during 2012 was the addition of 33,000 square feet to Kimco's Metro Crossing, including Ulta, Qdoba, Starbucks, Orange Leaf Frozen Yogurt, and Mattress People. Metro Crossing, anchored by Kohl's, Target, Bed Bath & Beyond, Hobby Lobby, PetSmart and TJ Maxx and is now

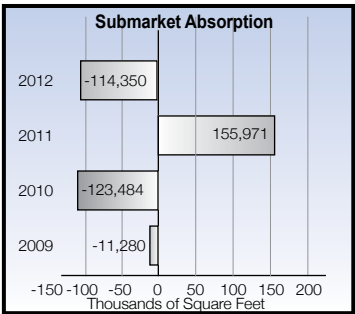
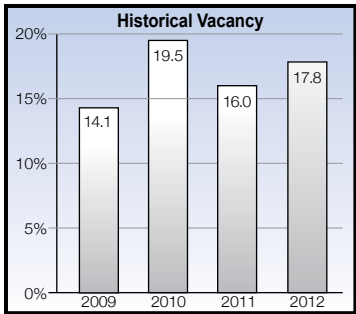
comprised of more than 450,000 square feet. It is considered one of, if not the most, successful and dynamic power centers in Metro Omaha.

Forecast for 2013

For all practical purposes, Kimco has completed the development of Metro Crossing in 2012 and the few vacancies remaining will likely be filled in 2013. The success of Metro Crossing has caused additional retailers to consider expanding into the Council Bluffs market. With completion of the buildout of Metro Crossing, we would not be surprised to see the focus for future expansion shift to 24th Street Marketplace. While the early performance there by Shopko, JC Penney and Petco has been less than expected, we would expect sales to improve markedly with the eventual addition of multiple anchors to the project. Mall of the Bluffs was purchased by Namdar Realty Group based out of Great Neck, New York which has intentions of bringing the mall back to a viable indoor regional mall although no announcements have been to date. Meanwhile, on the north side of town, Wal-Mart is expected to break ground on a 186,000 square foot super-store in 2013 with a grand opening in first quarter of 2014.



Council Bluffs Submarket by Size			
Size	Centers	GLA	% Vacant
Size 1	1	804,909	0.17%
Size 2	2	1,156,357	40.03%
Size 3	5	670,335	7.02%
Size 4	11	608,728	13.86%
Size 5	10	179,578	6.42%



Center Name & Address	Size	Year Opened	Leasing Co & Agent	GLA 2012	2012 Vacancy	2012 % Vacancy	2012 Rate 1	2012 Rate 2	Anchor
3415 W Broadway SEC 34th & W Broadway	4	1968	Heartland Properties John Jerkovich	46,068	0	0.00%	\$2.00	\$3.00	Family Dollar, Payless Shoes
Auto Zone Plaza SEC 28th & W Broadway	4	1955	PJ Morgan Real Estate Don Boldizsar	43,275	18,265	42.21%	\$9.00	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/NP Dodge Real Estate Jerry Gordman/Deborah Smith	66,435	34,235	51.53%	\$10.00	N/A	Immanuel Pathways
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	Colliers International Pam Beardslee	32,742	4,800	14.66%	N/A	N/A	No Frills, Family Dollar, Blockbuster
CVS 545 W Washington	5	2011		\$13,160	0	0.00%	N/A	N/A	CVS
Fareway Foods NWC McKenzie & Kanesville Blvd	5	2006	Fareway Stores Inc.	24,426	0	0.00%	N/A	N/A	Fareway Foods
HyVee Plaza SEC 25th & Broadway	4	2010	Selding Company Dan Dutton	67,000	0	0.00%	N/A	N/A	HyVee
Lake Manawa Power Center SEC 30th Ave & Dial Rd	1	1995	Dial Properties Brett Heimes	804,909	1,400	0.17%	\$15.00	\$21.00	OfficeMax, Home Depot, Best Buy, Toys "R" Us, Menards, Gordmans, Wal-Mart, Sam's Club
Mall of the Bluffs NEC Madison Ave & Bennett Ave	2	1986	General Growth Properties Lyle Karr/Jared Hessman	704,574	450,000	63.87%	\$10.00	\$50.00	Dillards, Hy-Vee
Manawa Power Center 20 & 40 Power Dr	5	2004	Investors Realty Pat Regan	18,000	2,550	14.17%	\$14.00	N/A	Rentway, Complete Nutrition, CD Trade-post
McKenzie Place 320 McKenzie Ave	5	2009	Heartland Properties John Jerkovich	16,600	1,250	7.53%	\$12.00	N/A	McKenzie Medical Group
Metro Crossing I-29 & Hwy 92/275	2	2007	The Lerner Company Ben Meier/Boh Kurylo	451,783	12,894	2.85%	\$25.00	\$25.00	Target, Kohl's, Hobby Lobby, Bed Bath & Beyond, PetSmart, TJ Maxx, Ulta
No Frills Supermarket NEC Valley View Ln & Madison Ave	4	1992	No Frills Supermarket Steve Moskovits	\$63,228	0	0.00%	N/A	N/A	No Frills
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
Ogden Place 201-295 W Broadway	5	1977	Lund Company Robert Ellison	19,675	1,680	8.54%	\$10.80	N/A	Union Pharmacy, Ogden Salon
Sherwood Plaza SEC Sherwood Dr & Kanesville Blvd	3	1980	Kathol Property Co. Cliff Kathol	149,510	0	0.00%	\$10.00	N/A	Big Kmart, Bomgaars
Shoppes on Madison Ave 1851 Madison Ave	4	1978/2000	Heartland Properties John Jerkovich	74,975	10,097	13.47%	\$9.00	\$12.00	Midstate Bank, True Value Hardware
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 Company Mina Anderson	35,000	5,000	14.29%	\$10.00	\$12.00	Hair Masters, Old Home Bakery
The Marketplace at 24th Street I-80/I-29 & 24th St	3	2008	Magnum Realty, Inc. Joe Kutilek	229,750	12,810	5.58%	\$12.50	\$14.50	JCPenney, Shopko, Petco
The Plaza 20 & 40 Arena Way	4	2004	Heartland Properties John Jerkovich	72,520	46,208	63.72%	\$12.00	N/A	Famous Dave's
Valley View Village 928 Valley View Dr	5	2007	NP Dodge Real Estate Mark McKeever	25,000	0	0.00%	\$15.00	N/A	Godfather's Pizza, Valley View Bank
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
Woodbury Hills 900 Woodbury Avenue	5	1987	Heartland Properties James Kaiser	18,908	6,043	31.96%	\$12.00	N/A	
Council Bluffs Submarket Totals				3,419,907	607,232	17.76%			

Omaha Retail Market Summary - Year End 2012

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 experiences 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.

