

# Columbia Corridor Association

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Capacity Commercial Group
- Mark Childs, SIOR  
Integrated Corporate Property Services
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Colliers International



# Market Conditions

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## 2007 Columbia Corridor Market:

Total Inventory: 33,310,200 SF

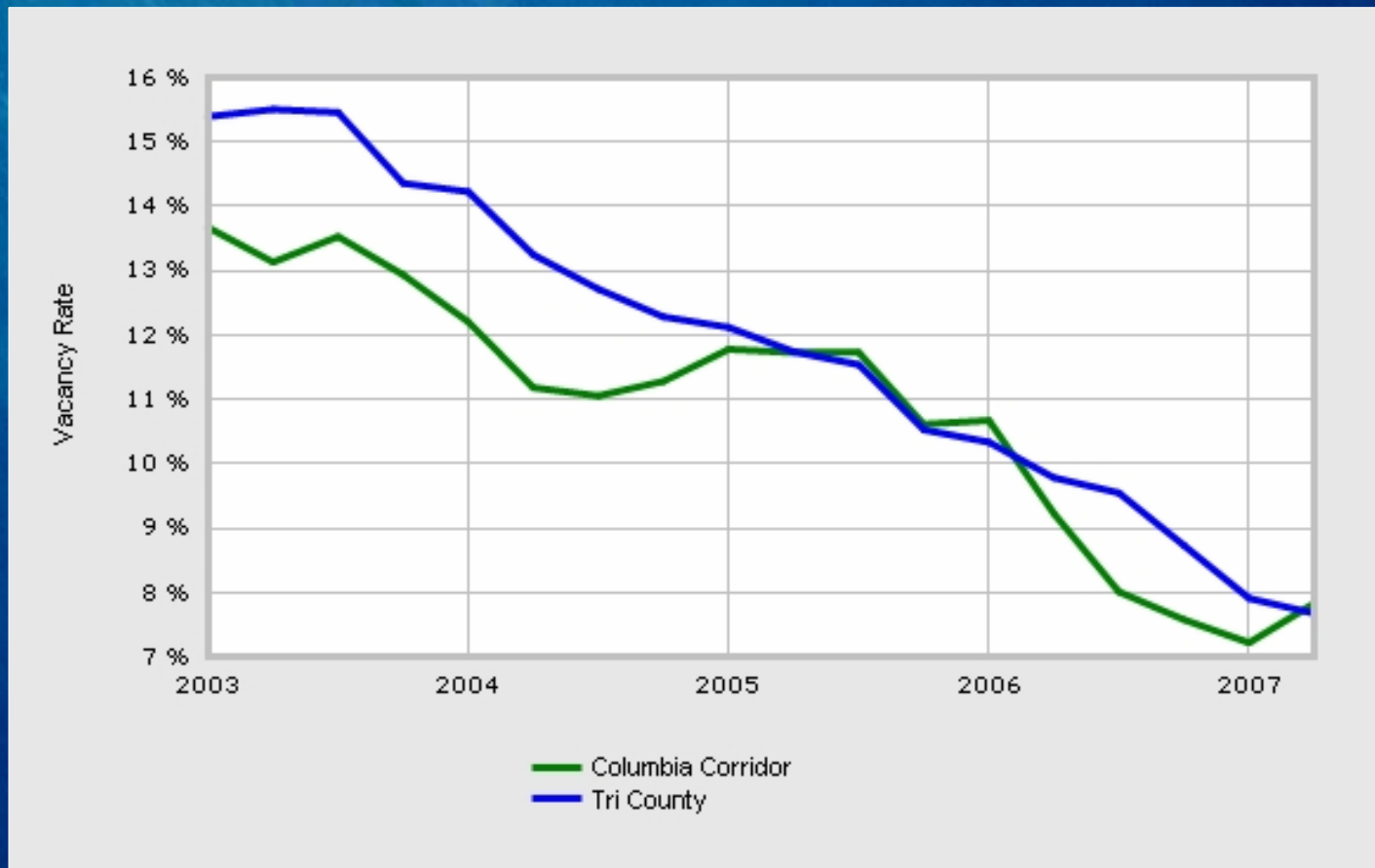
Vacancy: 2,221,122 SF

Absorption: 351,706 SF

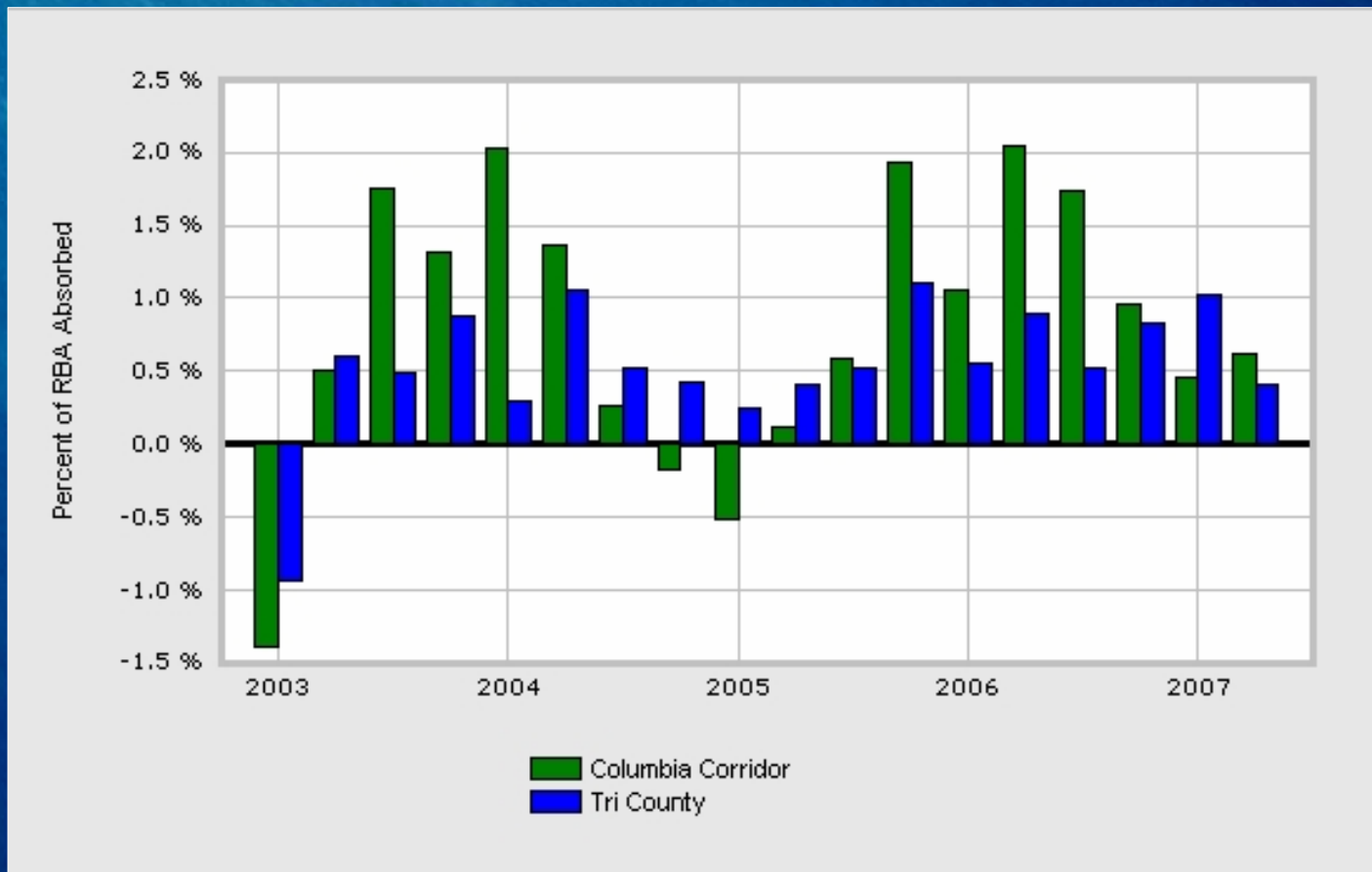
Construction Starts: 956,842 SF



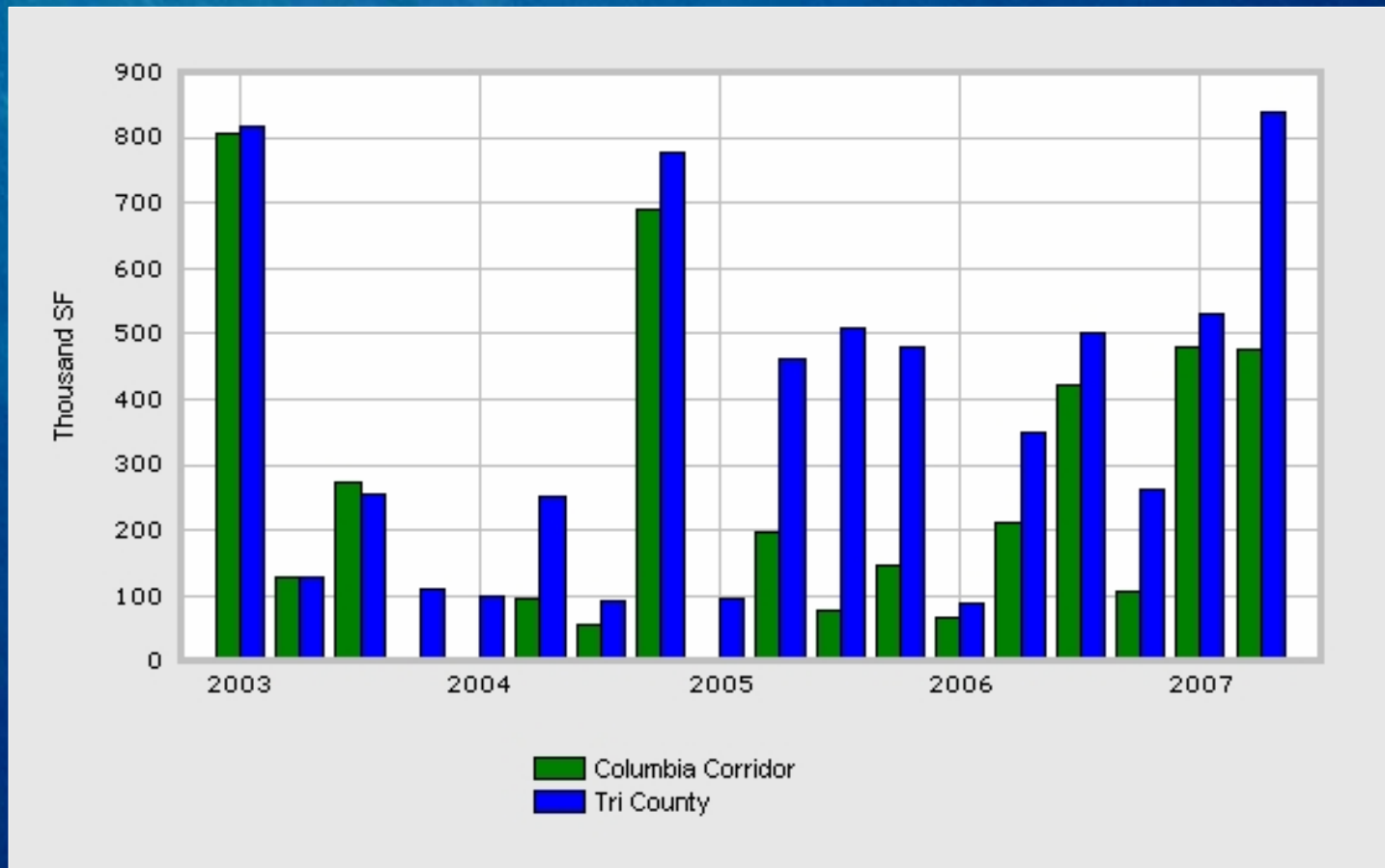
# Vacancy Rates



# Absorption Rates



# Construction Starts

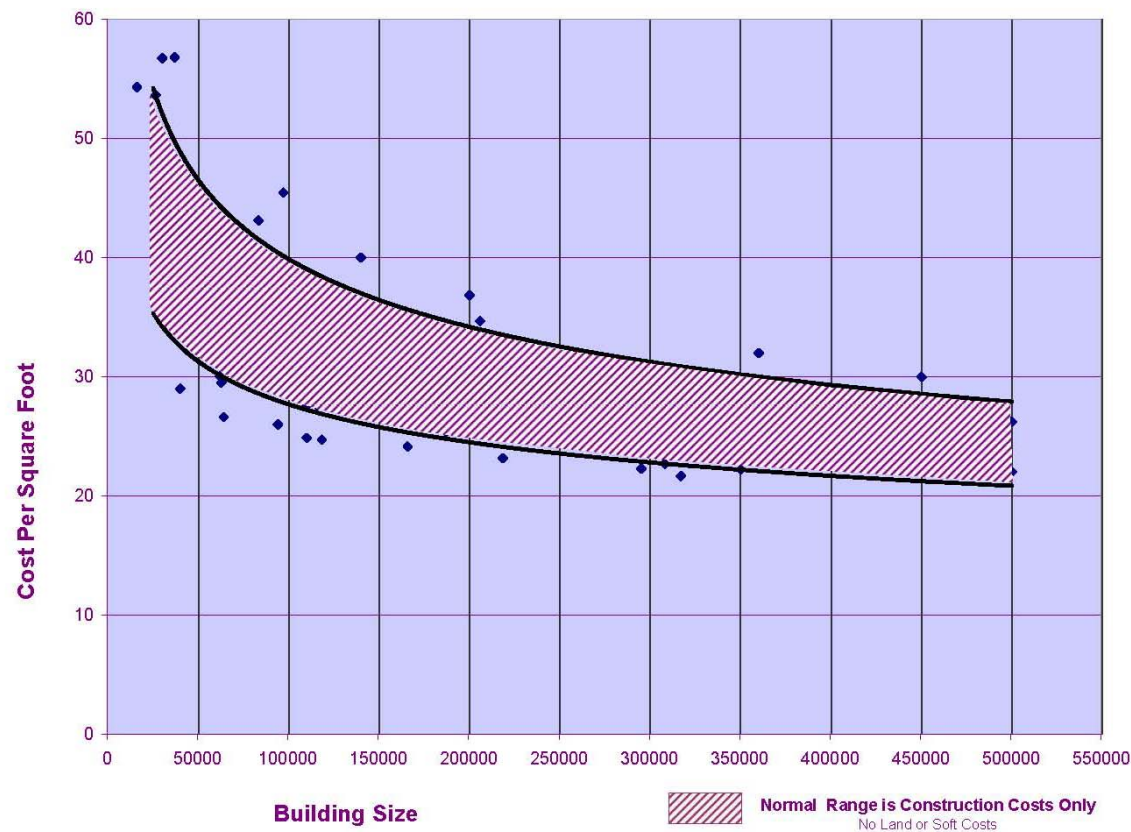


# Construction Costs

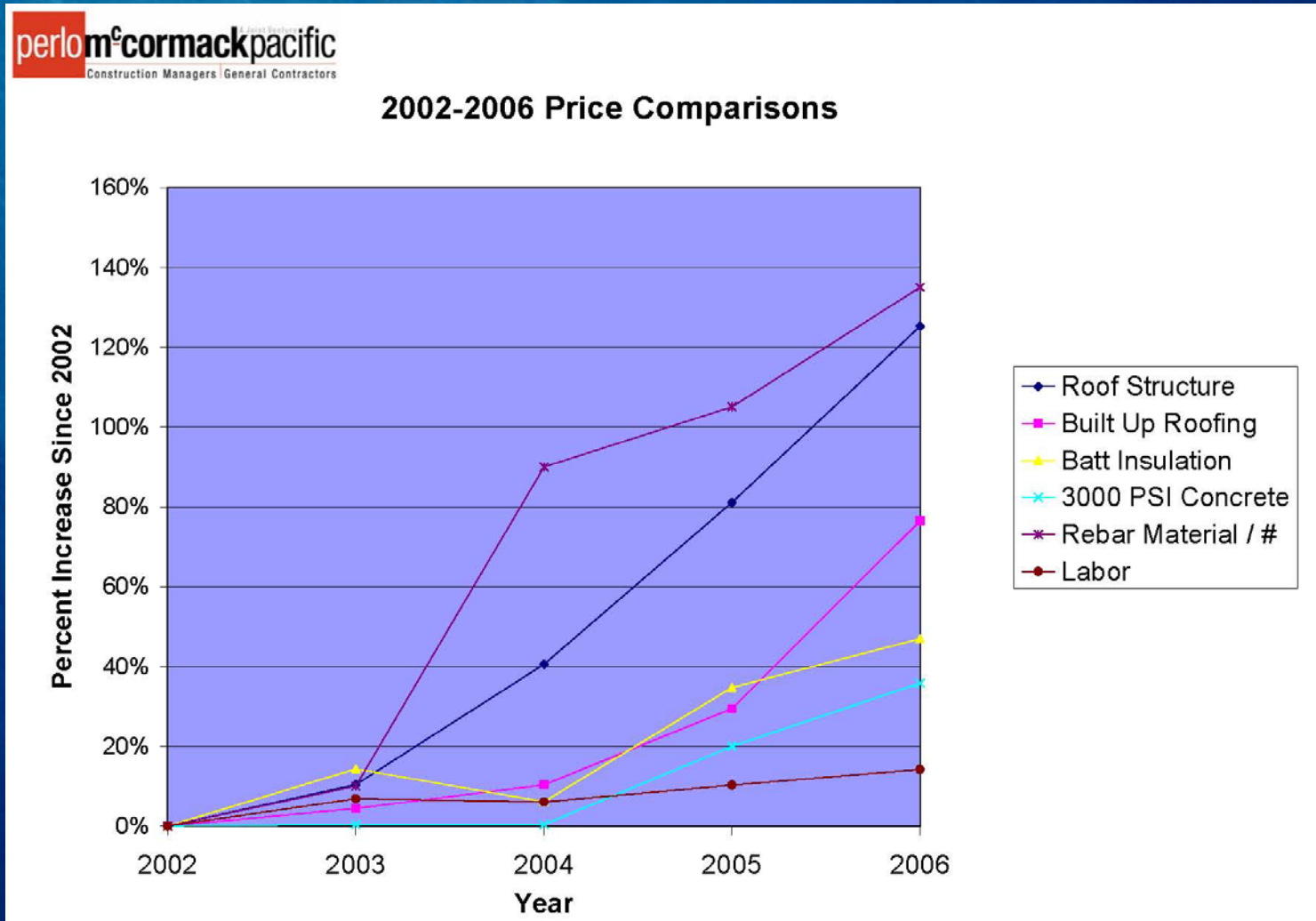
perlo **m<sup>c</sup>cormack** pacific  
Construction Managers | General Contractors

MAY 2006

WAREHOUSE SHELL CONSTRUCTION COSTS



# Construction Costs



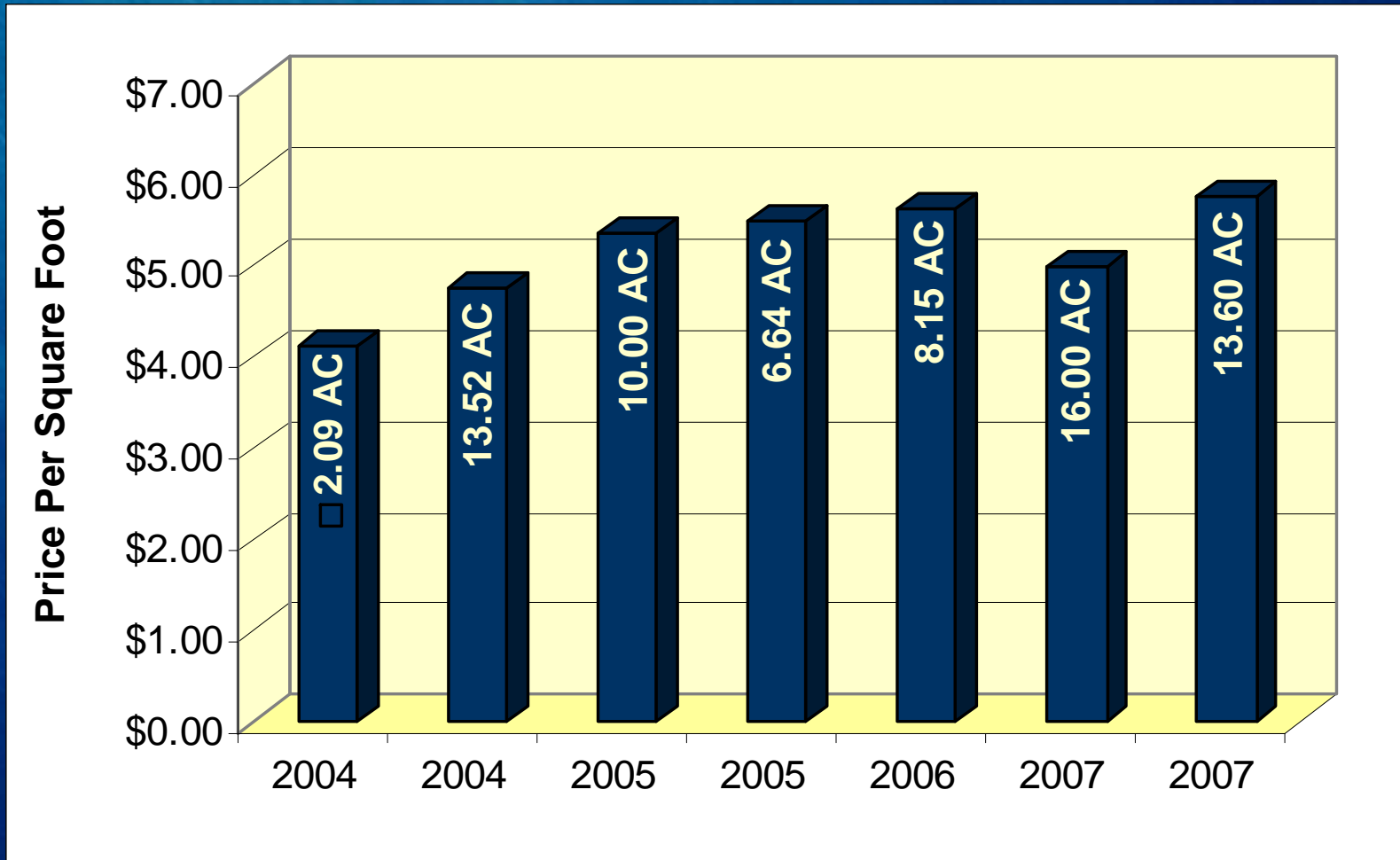
# Land Sales

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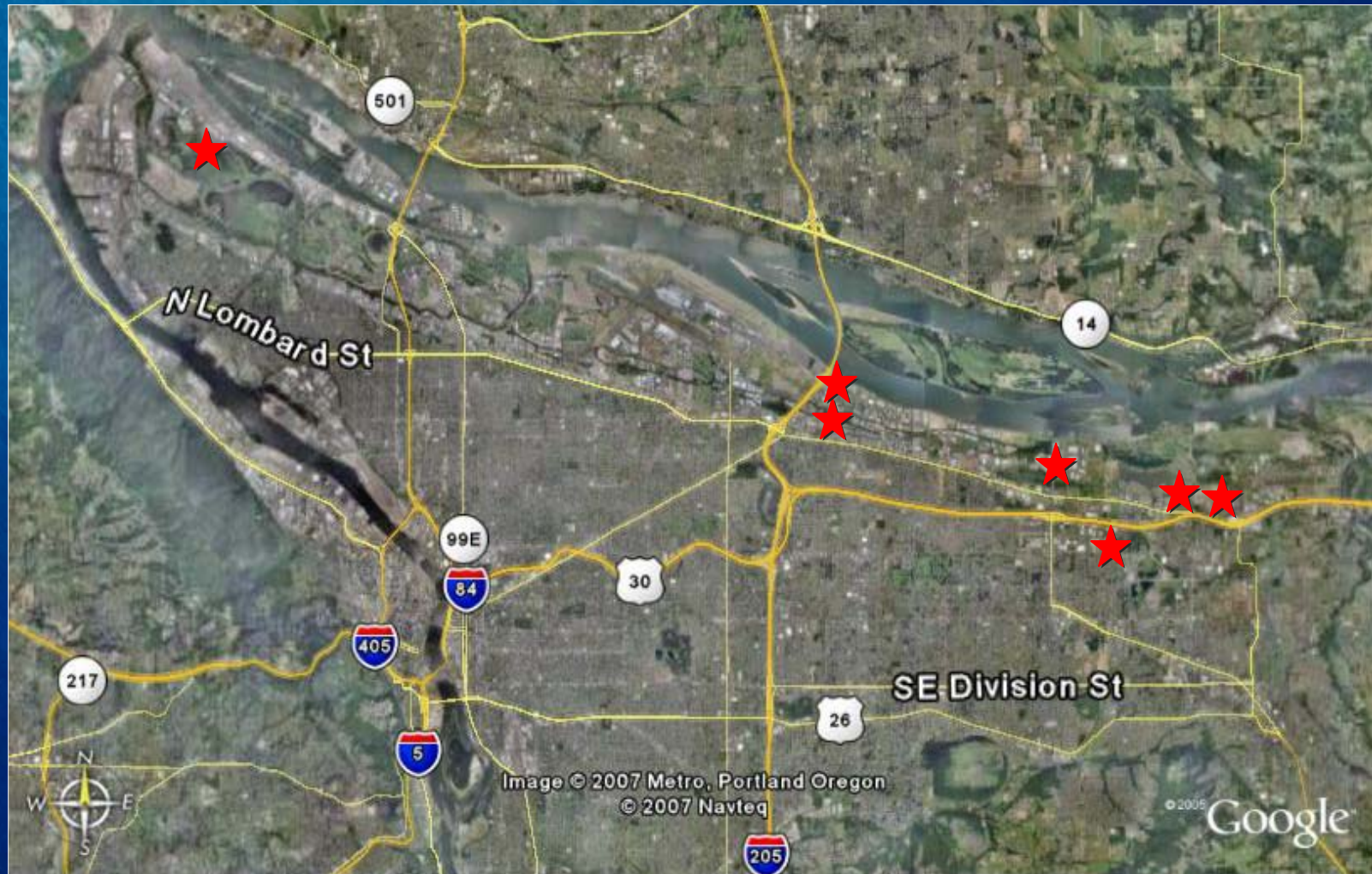
<u>Year</u>	<u>Buyer</u>	<u>Address</u>	<u>Size</u>	<u>Price/SF</u>
2004	Miller Paint	12715 NE Marx	2.09 AC	\$4.12
2004	Oregon Transfer	7828 N. Leadbetter	13.52 AC	\$4.75
2005	Navistar	NE 223 <sup>rd</sup>	10.00 AC	\$5.37
2006	Knight Trans.	NE 230 <sup>th</sup> & Sandy	6.64 AC	\$5.49
2007	Redside	NE 201 <sup>st</sup> & San Rafael	16.00 AC	\$5.25
2007	DPI	NE 185 <sup>th</sup> & Portal	13.60 AC	\$5.75



# Land Sales



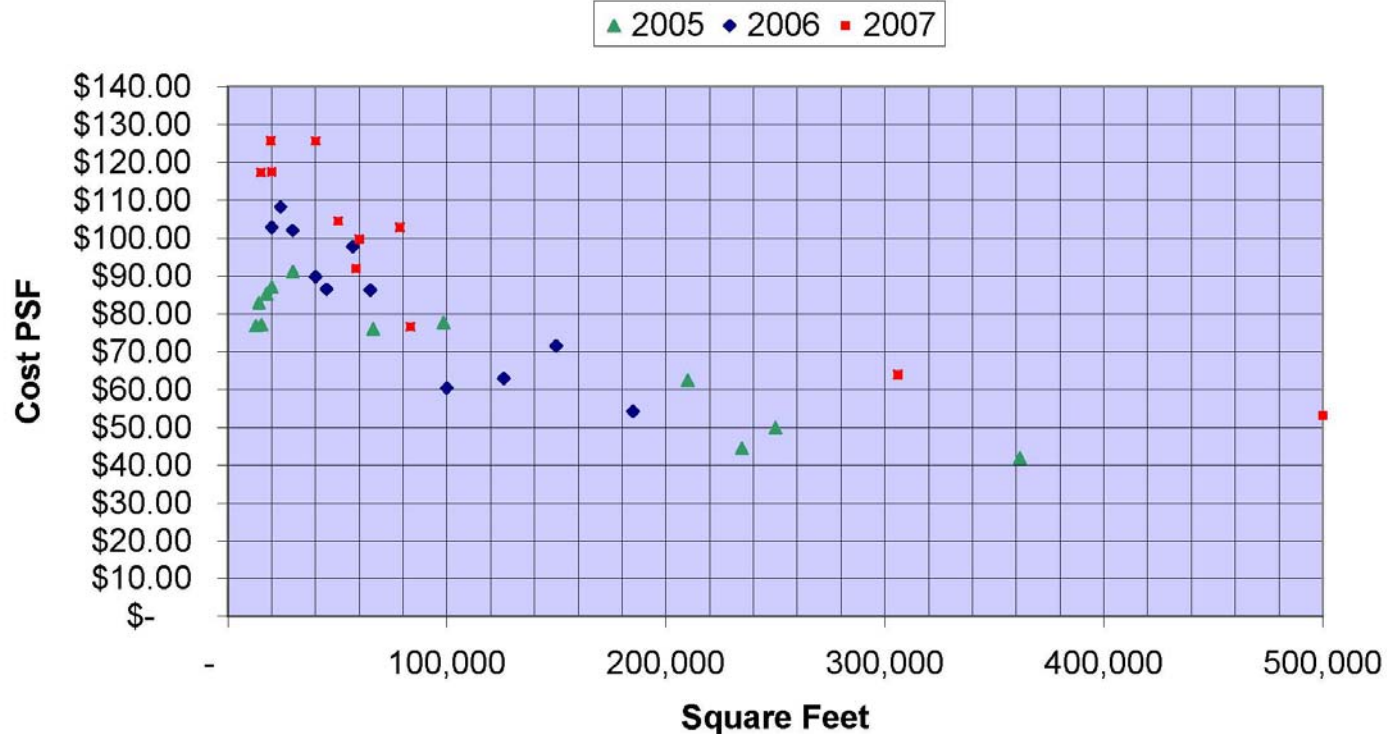
# Land Sales



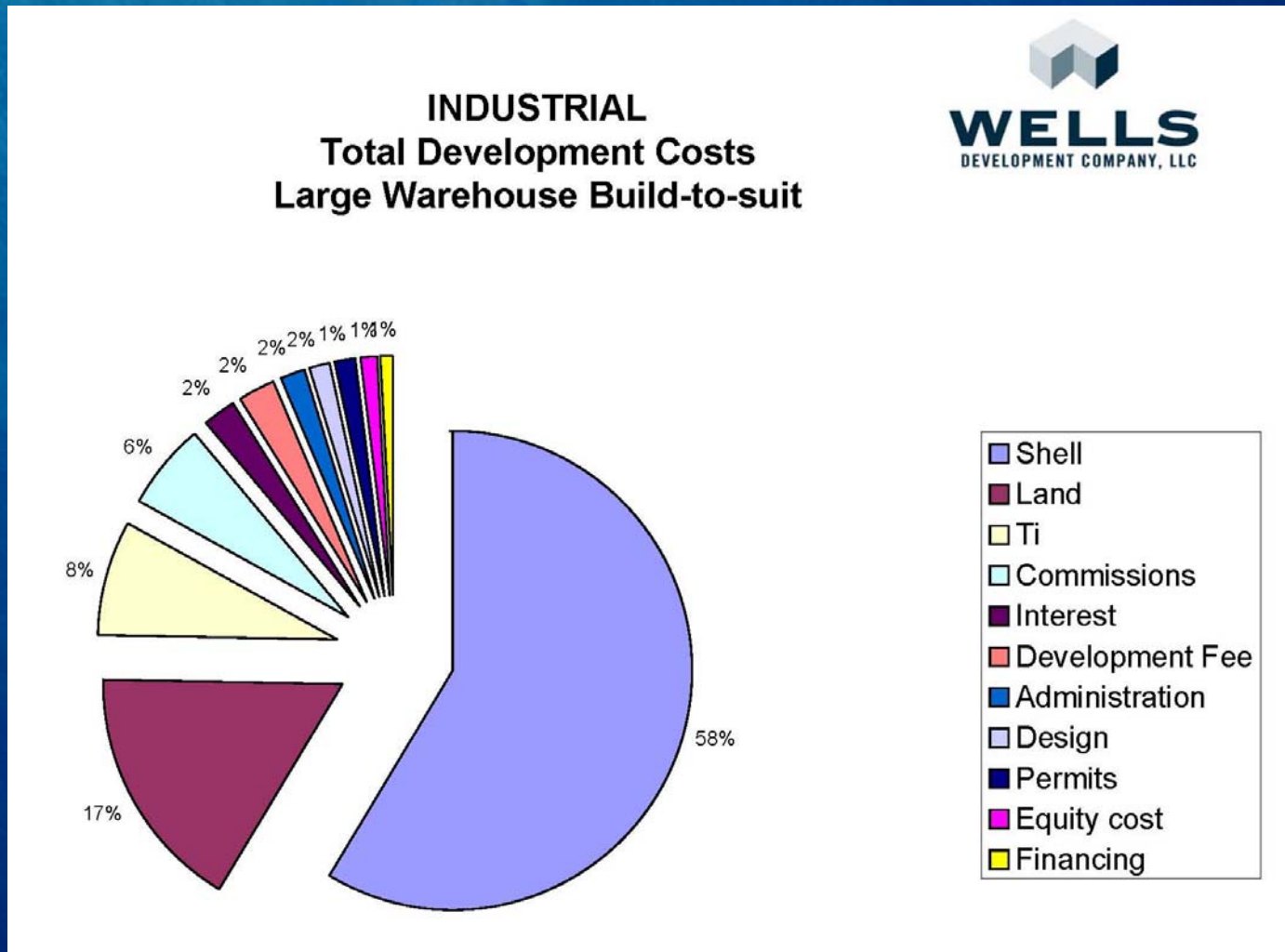
# Development Costs



## INDUSTRIAL Total Development Costs Without Office Improvements



# Development Costs



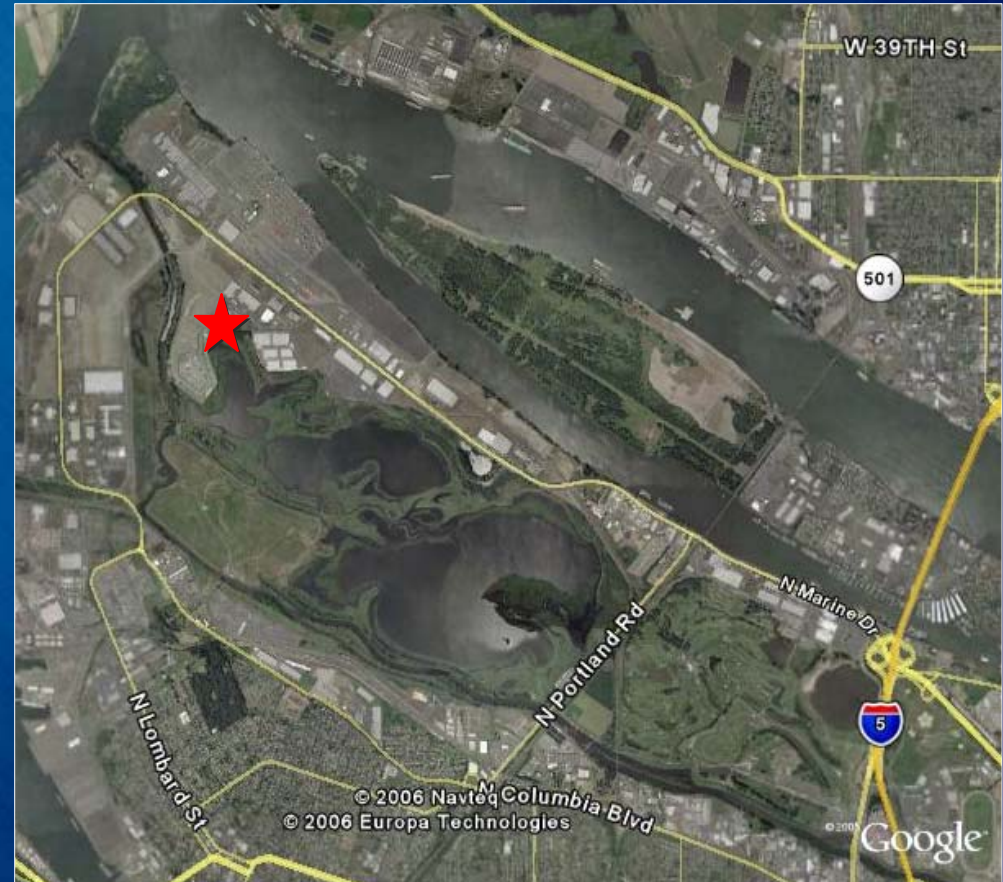
# Significant Lease Transaction

**Bybee Lake Logistics Center, Phase I**  
**7828 N. Leadbetter**

**Tenant: Moran Foods**

**Landlord: Capstone Partners**

**Size: 182,000 SF**



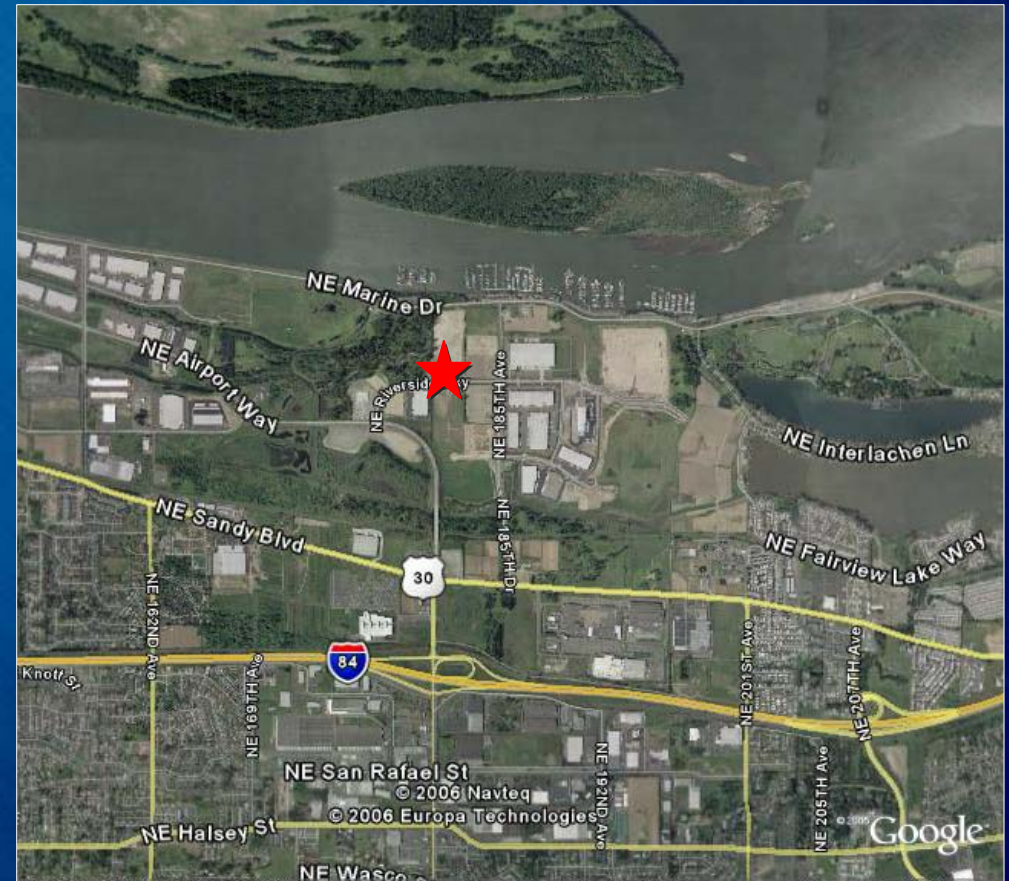
# Significant Lease Transaction

**Riverside Parkway North**  
**18225 NE Riverside Parkway**

**Tenant: Nautilus**

**Landlord: Panattoni**

**Size: 250,100 SF**



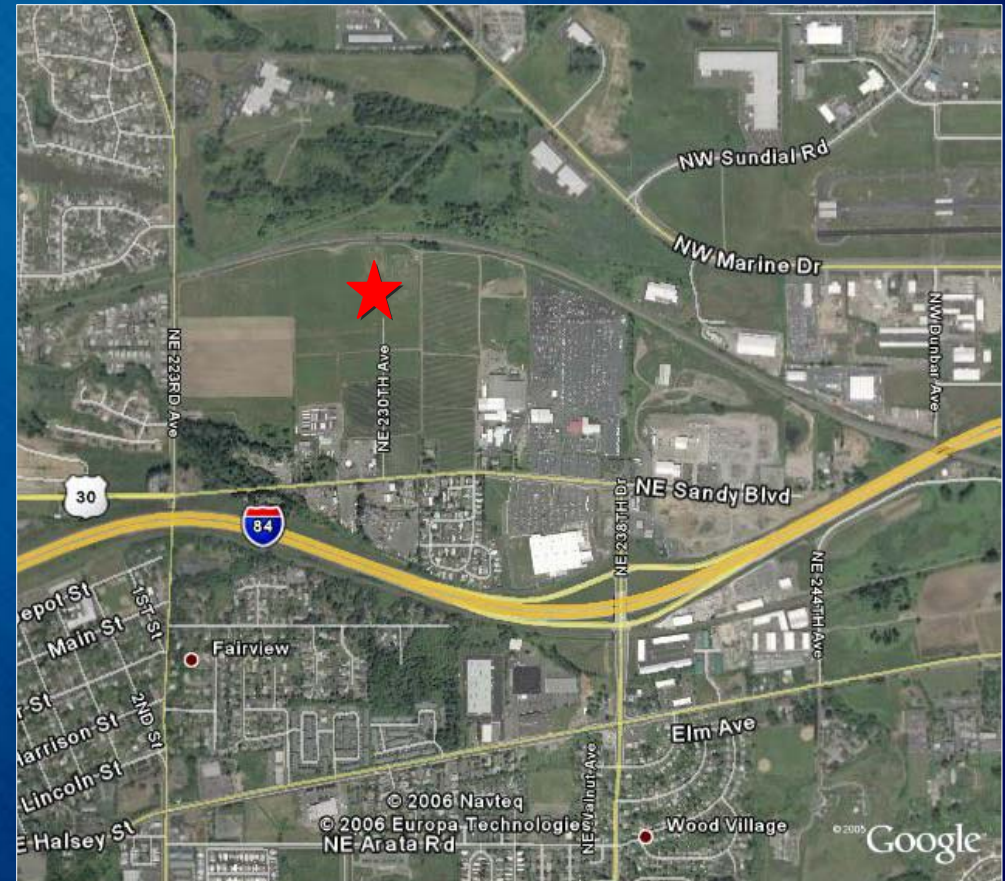
# Significant Lease Transaction

**Townsend Business Park  
NE Sandy Boulevard**

**Tenant: Navistar**

**Landlord: Panattoni**

**Size: 210,000 SF**



# Transactions in Progress

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## Estimated Shell Rates:

Rivergate:	136,000 SF	\$0.36/SF
Gresham:	131,000 SF	\$0.40/SF
Rivergate / Airport Way:	300,000 SF	\$0.35/SF



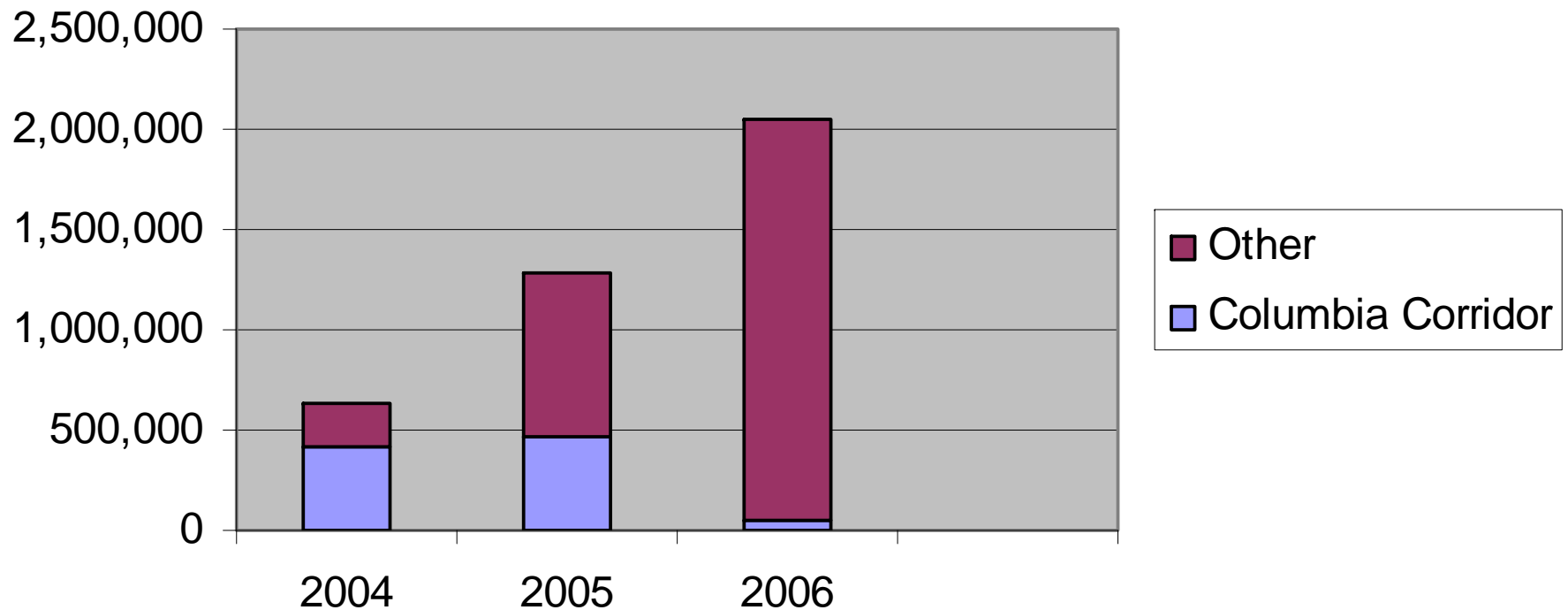
# New Development

<u>Project</u>	<u>Planned SF</u>	<u>Expected SF</u>
CalWest Industrial Properties	409,500	409,500
DP Partners	262,640	262,640
Weston	366,000	66,000
ProLogis	329,305	83,077
Trammell / Kennedy	2,600,000	570,000
McMorgan & Company	502,000	259,000
ING/Trammell Crow	279,282	279,282
OPUS Development	303,000	303,000
Birtcher Development	<u>397,905</u>	<u>397,905</u>
	<b>5,449,632</b>	<b>2,630,404</b>



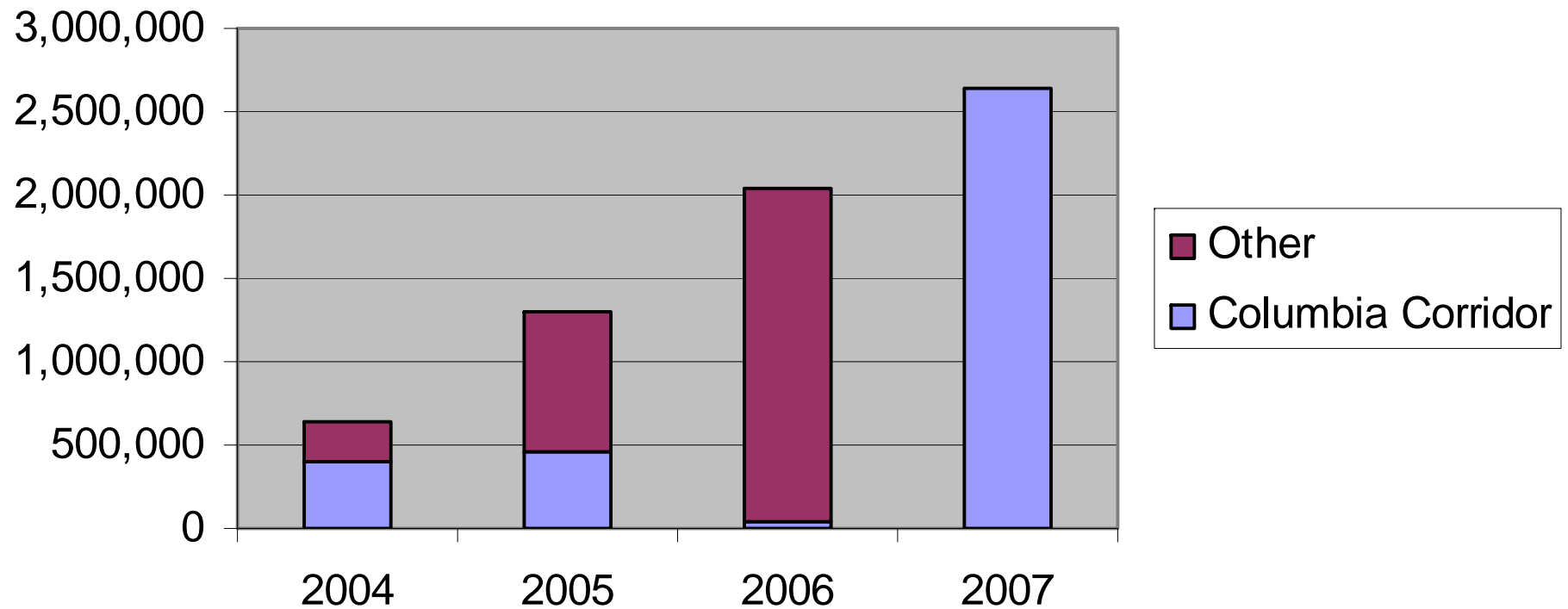
# New Development

## Historical Deliveries



# New Development

## Historical & Expected Deliveries



# Projections

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# Economic Conditions

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Factors Impacting Future:

Interest Rates

Global Economy

Energy

Consumer Demand



# Political Environment

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Factors Impacting Future:

Attitude Toward Business

Investment in Infrastructure



# Window of Opportunity

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Current Vacancy:	2,221,122 SF
Expected 2007 Construction:	2,630,404 SF
Potential Development:	<u>3,000,000 SF</u>
<b>Total</b>	<b>7,851,526 SF</b>

At a projected absorption rate of approximately 2,000,000 SF per year, it is estimated that a 4-5 year supply of land and buildings currently exists.



# Thank you

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