

In April 2007, Podolsky | Circle completed an \$80 million portfolio sale of 14 Chicago area industrial properties totaling almost 1.5 million square feet on behalf of a consolidated private investment group. This disposition demonstrated Podolsky | Circle's ability to advise its clients on current market conditions and imminent changes in the industrial marketplace. Previous to the sale, the portfolio had been a financial success — value had been created through individual leasing plans and effectively managing operating costs. The purchaser of the portfolio, New York investment fund KTR Capital Partners, retained Podolsky as the manager/leasing agent.

The sale represented 13 distinct seller groups in one master purchase/sale agreement to maximize value and minimize costs. In order to complete the portfolio sale, Podolsky | Circle embarked upon a 14-month process, beginning with the assemblage of the properties. Podolsky | Circle completed detailed financial analyses, market conditions prognoses and transaction projections to obtain unanimous approval from over 100 partners.

The portfolio was then "co-mingled" in order to provide an attractive and viable investment-grade portfolio package for suitable prospective buyers. An extensive marketing program was formulated and executed. Three complete sets of diligence and contracts were negotiated with three distinct buyers. In the end, Podolsky | Circle's negotiating skills and real estate acumen contributed to the sale being completed at projected values and without deductions for physical or functional obsolescence.

Podolsky | Circle negotiated the sale under a single master sale contract with pro-rations and sale proceeds applied on an individually merited property-by-property basis. Significant transaction costs were saved as a result of this strategy. In addition, the sellers were able to obtain, through Podolsky | Circle's negotiation, non-refundable contract fees and 100% of all real estate transfer taxes being paid by the purchaser.

KEY ACCOMPLISHMENTS

- Employed industry knowledge in advising the client of current conditions and changes in industrial marketplace.
- Represented 13 seller groups and devised a single master contract to maximize value and minimize costs in the disposition of the portfolio.
- Packaged the portfolio as attractive and viable to appeal to investors and executed an extensive marketing program.
- Demonstrated negotiation skills in completing the sale at projected values and without deductions for physical or functional obsolescence.

1.5 MILLION SF PORTFOLIO SALE



Metropolitan Chicago, IL

CLIENT

Thirteen (13) Distinct Ownership Entities

SERVICES PROVIDED

- Disposition

PROJECT PERSONNEL

- Randy D. Podolsky, SIOR
Managing Principal
- Adam J. Tarantur
Principal

TERM

APRIL 2006 - APRIL 2007