

### Dayton, OH

Dayton is located in SW Ohio just north of the Cincinnati metropolitan area. The area is more commonly referred to as the Miami Valley region and is within the Dayton Metropolitan Statistical Area. It plays host to significant industrial, aerospace, and technological/engineering research activity. Dayton is known for the many technical innovations and inventions developed there, much of which are due in part to Wright-Patterson Air Force Base. Sources indicate that as Cincinnati grows north through Butler & Warren Counties, the MSA will eventually merge with Greater Dayton. Some experts believe this could happen as early as 2013. Others believe it could take much longer. The new Cincinnati-Dayton metroplex would be the 15<sup>th</sup> largest market in the US with a population of approximately 3 million spanning 19 counties. The new metroplex could attract a variety of new businesses given the size of the area, being 1 of only 4 metropolitan areas with access to 2 top-100 airports, and having good access to highway and additional transportation. Local market indicators are presented below – (Property data based on 1Q '10 market figures with changes from prior MarketPulse).

#### Population

Dayton MSA – 833,283

▼ From Census 2000 of  
848,153

Source: 2010 Claritas

#### Unemployment Rate

Dayton MSA: 10.9% ▼

United States: 9.3% ▼

Ohio: 10.1% ▼

Source: Ohio Jobs & Family Services – 05/10

#### Avg. Household Income

Dayton MSA: \$62,157

United States: \$71,071

Ohio: \$63,005

Source: 2010 Claritas

For more information contact:

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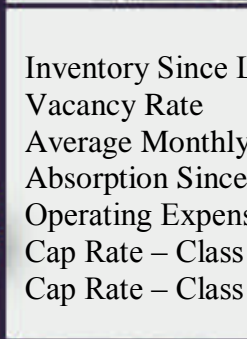
Email: [gwright@irr.com](mailto:gwright@irr.com)

#### Metro Area Vital Signs



Inventory Since Last Qtr.	No Change	↔
Vacancy Rate	24.9%	↑
Rental Rate Per SF	\$10.98 Net	↓
Absorption Since Last Qtr.	Down	↓
Average Op. Expense/SF	\$6.25	↔
Cap Rate – Class A	9.75%	↔
Cap Rate – Class B	10.50%	↔

Office



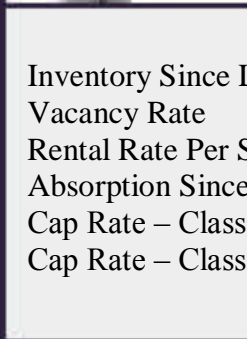
Inventory Since Last Qtr.	No Change	↔
Vacancy Rate	8.5%	↑
Average Monthly Rent	\$592	↑
Absorption Since Last Qtr.	Down	↓
Operating Expense	45%	↔
Cap Rate – Class A	9.00%	↔
Cap Rate – Class B	9.75%	↔

Multi-Family



Inventory Since Last Qtr.	Minimal Change	↔
Vacancy Rate	16.6%	↑
Avg. Rental Rate Per SF	\$8.95 Net	↓
Absorption Since Last Qtr.	Down	↓
Average Op. Expense/SF	\$4.00	↔
Cap Rate – Class A	9.50%	↔
Cap Rate – Class B	10.50%	↔

Retail



Inventory Since Last Qtr.	Up	↑
Vacancy Rate	9.8%	↑
Rental Rate Per SF	\$3.55	↓
Absorption Since Last Qtr.	Down	↓
Cap Rate – Class A	9.25%	↔
Cap Rate – Class B	10.25%	↔

Industrial