

THE DEPOT REPORT

VOLUME 1, No. 1

WELCOME

Utah Industrial Depot (UID) is pleased to announce the completion of the sale of approximately 50 acres of land in the southeast corner of our Park to **Carlisle SynTec, Inc.** The company is currently constructing a new 240,000 square foot facility on their purchased land. As you can see, construction of the facility is well underway. The various contractors have done a terrific job of sticking to the schedule. Carlisle SynTec, an industry leader in the manufacturing of roofing membranes, will be employing 65 to 70 people in this new Tooele plant.



Utah Industrial Depot is pleased to share with you the following recent new lease agreements.

Game Room Club is now operating their nightclub in Building 618, located at 1855 West D Avenue. The club offers dancing, pool, electronic games, and a variety of activities each weekend.

Sage Creek Crafts has finalized a lease agreement for 3,040 square feet of space in Building 669, Suite 6. Owner, Lori Jensen, provides finished craft products to the Quilted Bear store and other retail outlets throughout the Salt Lake Valley. Additional information on the company and their products can be found at <http://www.sagecreekcrafts.com>.

Allen's Flooring is now leasing 5,312 square feet in Building 669, Suite 4. Owner, Pete Allen, provides carpet and tile installation, general cleaning, and emergency cleaning services. For additional information, you may contact Pete at <http://phallen@wirelessbehive.com>.

CONGRATULATIONS

We would like to congratulate the following companies who have taken the step from UID leasing tenant, to property owner.

Utah Fabrication had been leasing space from UID since November of 2000. The steel fabrication company, which has been operating in the intermountain area for over 30 years, recently purchased Building #691, a 41,000 square foot facility.

Utah Military Museum, another longtime leasing tenant, recently purchased four buildings, each measuring over 4,000 square feet, from UID. The buildings are located at 100 South Glenn Court. Utah Military Museum refurbishes older military equipment.

WE APPRECIATE YOU

We would like to show our appreciation to the following companies for electing to stay at UID and renewing their leases:

Ad-Vantage Signs, who does screen printing and manufacturing of signs, has renewed their lease in Building 605, Suite 2.

Fireworks America renewed their lease of approximately 5,660 square feet of space in Building 2008, where they store display equipment.

Ward Engineering Group has relocated their Tooele office from UID's Building 614 location to Building 616. We were happy to accommodate our longtime tenant and business associate with space that fits their current needs.

PARK FACELIFT

You may have noticed our efforts in providing a much needed park identification to our entrance. We mainly focused on the flag poles, monument sign and tenant directory to publicize our presence. In addition, we enhanced our entry by lining our main roadways with cobble to provide a sense of order and flow through the park. We have dubbed this project our "Marketing Trail". This trail begins at our main entrance at SR-112 and Lodestone Way, and goes south on Lodestone Way to I Avenue. We installed nodes at this intersection, as well as the I Avenue and Garnet Street intersection.

Depot Associates LLC d.b.a. Utah Industrial Depot LLC

545 N. Lodestone Way Tooele, UT 84074 Telephone 435-843-4500 Toll Free 866-646-4500 Fax 435-843-4550 www.utahid.com

This completes Phase One of our Marketing Trail.

We hope our effort to beautify our park has assisted in directing clients to your business establishments. Our long-term goal is to continue the trail through our park.

We would like to thank our tenants for choosing UID as home to their business establishments. A special thank you is extended for the success of this project to GSBS Architects, Preferred Paving general contractors, EnCon Utah, (UID tenant) for the monument sign, and Ad-Vantage Signs, (UID tenant) for the directory and office signs.

CONSTRUCTION

UID has a few major construction projects underway; among these is the previously mentioned Carlisle SynTec construction along the Emerald Road and B Avenue intersection. The roofing systems manufacturer is in the process of balancing the grade and erecting their new "TPO Plant". Most of the land balance has been completed, and work now consists of stabilizing the moved soil. Early this winter, they began pouring footings and foundations. They have begun the tilt-up concrete wall panels. These wall panels are being poured and delivered by EnCon United, a world-class concrete fabricator, who manufactures tilt-up insulated concrete wall barriers, as well as concrete freeway sound wall panels and concrete structural overpass girders. You will also note the roof is going on and the concrete floors are being poured. What a team these two companies make.

Another large project we have undertaken is to redistribute potable drinking water within the Park. The work on this project began on February 1, 2005, and should be completed by March 15, 2005. The new high pressure line will run south, along the east side of Emerald Road, to the south side of B Avenue, and then turn east, near the center of the Carlisle development. The main line will continue in a westerly direction, and terminate at the U.S. Army's Water Well #3. This connection point is designed to provide emergency water to the UID system, should we have an interruption of service from the Tooele City utility system.

A new 8" sanitary sewer lateral is being installed and constructed from near the center of the Carlisle 50-acre development, along the north side of B Avenue in a westerly direction, to somewhere near Kira Drive. This project will most likely be constructed in conjunction with the waterline segment. Both projects will be completed by the middle of March.

UID has been working closely with the U.S. Army, Tooele City RDA, UP&L, Congressman Bishop's office, and others to complete work begun in 1995, during the initial phase of Tooele Army Depot's BRAC process. At that time, the U.S. Army and UP&L attempted to transfer the existing electrical substation to private control. Since the wheels of government turn slowly, the task was not completed in the time allotted for the BRAC realignment transfer process. Several conditions have now allowed the transfer to be completed. This electrical system transfer will translate to several benefits for UID tenants. Listed are a few.

1. The facility will receive a new second feed from UP&L's 46,000 volt line that runs along SR-112.
2. All tenants in the park will be switched over to the UP&L client data base and receive their electrical bills direct from the utility. We anticipate the action to be completed by April 1, 2005.
3. The supply voltage will be enhanced from a 7,200 volt primary system, to a new 14,500 volt system.
4. The existing substation at B Avenue and Lodestone Way will be rebuilt and expanded to serve larger electrical loads, and maintain the reliability you have come to anticipate from the U.S. Army Electrical Services.
5. UP&L will feed the newly rebuilt substation with a second high voltage, independent leg from a second substation 46,000 volt feed. This redundancy will allow for state of the art high voltage service reliability by UP&L.
6. A new 40' high pole line will be installed for electrical feed for some existing UID tenants, as well as the Carlisle project.
7. Most UID buildings will be retrofitted to receive a new electrical meter base and update the low voltage building service entrance, in accordance with current

code practice. All-Tech Electric, (UID tenant) will be converting the existing electrical low voltage service connections. Ward Engineering Group, another UID tenant, is responsible for most of the survey work and engineering requirements for each of these four projects. Work on the project which began December 27, 2004 will be completed by May 30, 2005.

The construction for the winter work is designed to minimize impact on our current and future tenants. We foresee only a few brief electrical outages during the work day. UID on-site staff will schedule these outages in advance, to insure your inconvenience is minimal. You will be hearing much more about our work in progress as we transcend through these projects.

The last major construction project will be to work with the U.S. Army railroad superintendent, Mr. John Rydalch in constructing a new rail spur from the old Western Pacific line on the east side of the UID/Army Classification Yard. The new spur is being constructed from the Western Pacific track, to the north side of the Carlisle SynTec property line. The construction of this rail line will be completed by mid April. Much of the project construction work is to insure the Carlisle SynTec project will be ready to open for business during the early summer of 2005.

DEPOT SALES & LEASING ACTIVITY

UID is pleased to announce that Deryl Davis joined our team in October 2004 as a leasing and sales representative. Deryl was good enough to put together the following information on the activity we have been having in the park and the Wasatch Front industrial market.

Specifically relating to the activity along the Wasatch Front prior to 2004, we experienced a market that was very slow and probably overbuilt. During this time, we had a glut of buildings on the market in the leasing sector which caused rates to slump. The second generation buildings suffered because class "A" facilities lowered their rates to attract more tenants and this directly affected these older facilities. During this time, interest rates remained low causing sale prices to keep a

steady pace and in some areas they went up ever so slightly.

Change is in the air; the economy seems to be moving in a healthy direction. In 2004 rates remained steady, with no noticeable dips and we have seen developers buying land to gear up for speculative projects in 2005 and 2006. Commerce CRG has predicted that we may see a slight increase in lease rates and land sales prices in 2005. Many of the leasing incentives landlords have been giving out to tenants and agents have gone away.

Our park is also seeing good activity. We have several new tenants in the wings; you will have new neighbors in the park over the next couple months. We have requests for information from both agents and companies on a weekly basis. We also went through and reevaluated all our marketing material and have been on a new campaign to reach new areas. We are very excited about the work that has been done in the last few months and hope you notice the new activity very soon.

Please contact Deryl at (801) 330-6053 if you have questions on our availability.

MAINTENANCE

UID's maintenance department has been working on the roofs and the storm drainage systems to curtail any adverse effects of the winter months. If you are aware of any such building maintenance issues that require attention, please fax a note to our office at 843-4550, so that we may correct these problems in a timely fashion.

We'd like to thank all our tenants for keeping the buildings clear of debris. This assisted in making snow removal safer for our people and equipment. 100% safety is our goal.

We are currently gearing up for the transition from winter to spring with plans for spring cleanup and weed control. We have purchased a new John Deere tractor and gator for maintaining the grounds. Please keep an eye out for slow moving equipment and our maintenance crew as they are working in the roadways.

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BUSINESSES CURRENTLY OPERATING WITHIN OUR BUSINESS PARK

*Ad-Vantage Signs
Al & Lid Furniture & Appliance
All-Tech Electric, Inc
Allen's Flooring
B-S Company, Inc.
Baxter Cabinetry, Inc.
Bed Rock In., dba Trism
BioMass
Burly Seal Products Co.
Carlisle SynTec, Inc.
Charles O. Davis, Jr.
Charlie's Place
Cheshire & Sons, Inc.
Corals and Clams
Deseret Peak Sports
Detroit Diesel
Ed's Auto Body*

*EG&G Defense Materials
EnCon United
Fireworks & Stage
FX America, Inc.
Fred Swedin
Freightliner
Game Room Club
Golden Gamerooms
Gorilla Welding, L.L.C.
H.E.B. Auto Parts, Inc.
James Gordon Holmes
Midwest Fastener
Moore's Auto Shop
NTI Global
Pristine Coatings, LLC
R&B Plumbing
R-Idea Manufacturing
Raass Brothers, Inc.
Red Rock Leasing, LC
Ritchie Bros. Auctioneers
(America) Inc.*

*Sage Creek Crafts
TASZ, LLC
Timbercrafts of Utah
Tint My Ride
Tooele School District
Total Security
TW Company
UltraPet
USANA
Utah Commodity Storage, Inc.
Utah Fabrication, L.L.C.
Utah Military Museum
Valley Baptist Church
Vehicare Corporation
W.H.Y. Precision Utah, Inc.
Wal-Mart Stores East, Inc.
Ward Engineering Group
Wasatch Heating & Air
Zane Munson*

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Depot Associates LLC d.b.a. Utah Industrial Depot LLC

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