

The Depot Report



WELCOME

Once again, the inherent versatility of the Utah Industrial Depot is demonstrated to the benefit of some new tenants within the Depot.

UNEV Pipeline, LLC is utilizing seven acres of land on which to store approximately 60 miles of 12" product pipe. UNEV is a contracting company which uses rail to bring pipe from the mill to UID. This pipe is being stored at UID while they are awaiting a final review and federal approval to begin constructing a new product line from St. George, Utah to Las Vegas, Nevada. It often takes several years to receive a construction permit from the Federal Energy Regulation Commission "FERC". Early investment into the pipe, engineering, surveying, and other environmental and physical tasks began on this project several years ago. Hopefully, it will culminate into a construction certificate during the 2008 calendar year. The pipeline is over 150 miles long, and will take over a year to construct and certify. We all wish UNEV Pipeline good luck in their approval process.



The second new tenant, **Ash Grove Cement Company**, is a neighboring industry from Juab County. They, like UNEV Pipeline, have made commitments and heavy investments in time, technology and equipment. Ash Grove Cement Company is one of the major cement companies in the world. They have several operating plants and terminals in the United States and Canada, along with sister plants in Mexico, Europe, and Asia. They hold the distinction of being the first U.S. company to join the World Business Council. They manufacture several different types of cement products, including product used to make concrete for most Utah based industries and homes, as well as cement used for completing high pressure oil and gas wells in the energy market. The company, which is based in Overland, Kansas, has annual sales approaching \$500,000,000 and they employ over 2,000 people. We are certainly pleased that they selected UID as a holding area for the new plant they plan to construct in Leamington, Utah.

Bailac Company, a tire retread company serving the mining industry throughout the world, has entered into a ten year lease/purchase agreement with Utah Industrial Depot. Bailac Company procured 20,000 square feet comprising Building 603 for its use as a tire retread facility. Bailac currently has a central office and

four manufacturing plants, all located in Chile.

The Tooele plant is the first facility expansion for Bailac outside its native Chile. Bailac's local customers include Cerro Colorado and Kennecott Copper. For information about Bailac, please see their web page at <http://www.bailac.cl>.

Please welcome these new tenants into the growing list of friends and neighbors here at the Depot and Tooele City and County.

CONGRATULATIONS

Congratulations to **Western Skies Tannery** on their recent purchase of a 9,000 square foot building located at Building 606, here at UID. Western Skies is a taxidermy service which serves the counties of Tooele and Salt Lake. For information on Western Skies and their services, call Kent Broadhead at (801) 971-4170.

Ad-Vantage Signs has been operating at UID for eight years. The business was recently purchased by **Jason White, Inc.**, and they continue to provide promotional signs for a wide range of events and purposes. In addition to the change in ownership, Ad-Vantage is also experiencing change in growth. They have hired additional personnel to handle the current work load and expected increase in business and have expanded their leased space by an additional 4,000 square feet. For information about Ad-Vantage and the

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services they provide, please call Jason White at 435-882-7474.

Beehive Telephone is expanding from their current 5,200 square-foot leased space into an additional 5,100 square feet adjacent to their initial location at 10 South Garnet Street, Building 669, Suite 7. Growth in their antennae products division necessitated the expansion. In addition to wireless ISP products, Beehive provides wireless internet and telephone services to Tooele and Elko counties. Information about Beehive and their services can be found at <http://www.wirelessbeehive.com>.

Cartow, a vehicle impound and towing service, has renewed their two-acre land lease with UID for an additional year. The property is used as a State impound lot. For information about Cartow and their services, find their web page at <http://www.cartow.org>.

Wal-Mart Stores East has extended their 22,000 square foot space warehouse lease at UID for an additional year. Wal-Mart uses the leased area as flex space to provide required products as seasonal needs arise. Their lease structure is flexible, in that it allows Wal-Mart to grow beyond 22,000 square feet as the need arises.

Uintah Refrigeration and Electrical, an industrial contractor for the Intermountain Area, has renewed their storage lease at Building 651, Suite 4 for an

additional year. Uintah uses the building space as a storage and repair center for their refrigeration equipment. For information on Uintah and their services, call Bill Wernli at (801) 209-5890.

W.H.Y. Precision, a long standing tenant at UID, has elected to extend their operations in the current 20,000 square feet for two additional years. W.H.Y. Precision, located at 10 South Garnet Street, Suite 22, in Building 669, is a precision machine manufacturer serving clients throughout the Intermountain Area. In just five years, W.H.Y. Precision grew from the beginning size of 2,000 square feet, to the present 20,000 square feet. For information on W.H.Y. Precision and their products, please call Dola Young at (435) 843-4274.

Energy Solutions has renewed their rail lease at UID for an additional year. UID provides storage space for the company's rail cars when they are not needed in their operations.

GENERAL PARK MAINTENANCE

We are pleased to enter the spring/summer projects in great shape due to previous years of maintenance.

Once again, we are in full weed mode and starting on building maintenance. Please keep a close watch for the maintenance crew on the roads, and on the sides, mowing

and spraying. With fire season in the very near future, we are working to keep dry grass and weeds down to a minimal length to keep the hazard low. Please help by keeping the roads clear of parked equipment, and the building docks free from trash. The maintenance staff will be around doing monthly fire inspections to keep the sprinkler systems in top-notch working order.

Already, we have back-filled the shoulder on the east entrance, making it safer for cars. We are also digging waterlines and conducting valve maintenance. So, watch for the familiar orange cones marking holes.

Other projects on which we are currently in progress, or scheduled to begin, include: completion of communication upgrades on grade level warehouses; a month-long communications upgrade of dock high warehouses; road repairs on potholes exposed from winter snow removal; field mowing for beautification and marketing; railroad maintenance for safe movement of product and movers; and traffic signage, including directional, identification and safety.

These are a few of the immediate projects at hand. We would like to thank all of you traveling through our park for your cooperation, patience, and alertness in keep our contractors and staff safe while performing these tasks.

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MARKET NEWS

The market appears to be strong in 2007 for owners of commercial real estate. Last year, the four largest commercial real estate firms in Utah reported record breaking profits and forecasted this year to continue the trend. Several firms are also

reporting that the gap between construction costs and lease rates will narrow quite significantly. Hint to companies considering renewing their current lease: lock-in to keep your currently low rate.

Last year was an excellent year for UID. We are happy with the

progress that was made in bringing tenants and buyers to the park. Say hello to your new neighbor and expect to have a few more this year. If you have any questions on leasing or sales I'd be happy to discuss this very important issue with you. Please contact Deryl at (801) 330-6053.

VISIT US

For more information on Utah Industrial Depot, please visit our website at <http://www.utahid.com>. Our "Tenants" page provides a current list of companies operating within the Depot. Links for these companies' websites are provided where available.

