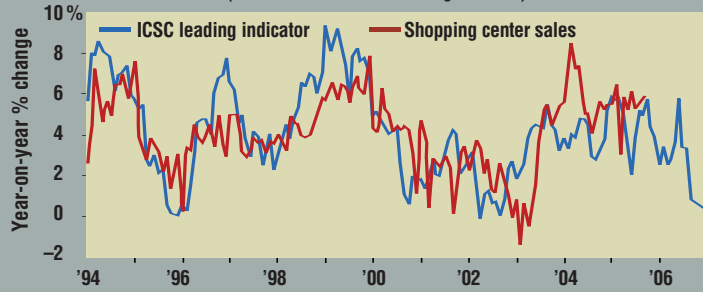


THE BOTTOM LINE

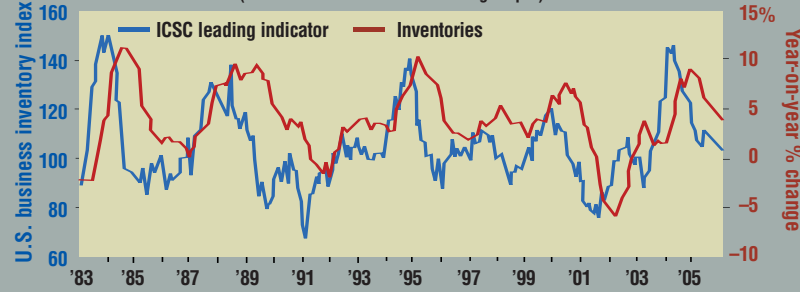
Caution ahead

ICSC's leading index of nonauto consumer spending*
(12-month lead time in leading indicator)



* Versus the Census Bureau's tally of shopping center sales.

U.S. business-inventory investment trends
(all investment and manufacturing output)



Figures for '05 and beyond are projected.

Uncertain economic times lie ahead next year. U.S. businesses slowed spending on inventories for all types of goods in 2005. And though that trend is largely over, increased inventory spending is not guaranteed, analysts say. ICSC expects volatile sales growth in the first half of 2006, followed by a hefty decline in the pace of consumer spending by early fall.

Source: ICSC Research

Gaining ground

Warehouse clubs/Supercenters

	1997	2002
Drugs, health aids, cosmetics	6.4%	8.8%
Soaps, household cleaners	2.2	2.8
Televisions, video equipment	0.3	2.4
Toys, hobby goods, games	2.1	2.8
Lawn & garden equipment	1.3	2.2

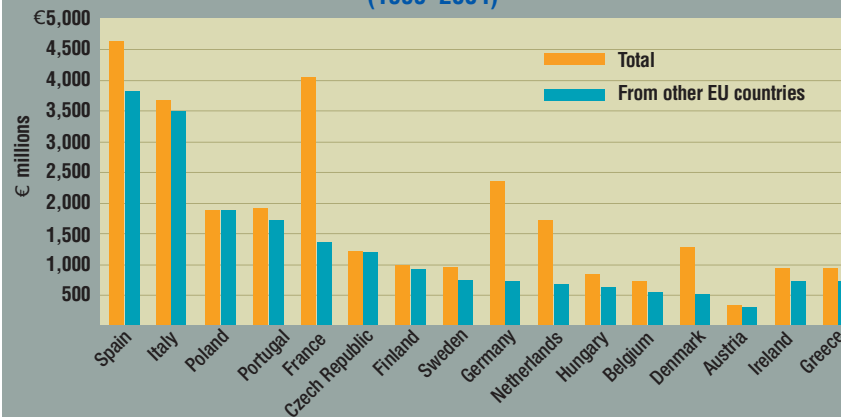
Discount department stores

	1997	2002
Drugs, health aids, cosmetics	13.7%	14.1%
Soaps, household cleaners	4.3	3.1
Televisions, video equipment	3.4	3.4
Toys, hobby goods, games	5.7	5.7
Lawn & garden equipment	3.2	2.2

Warehouse clubs and supercenters grabbed a large share of general merchandise sales between 1997 and 2002. Here, a look at the five segments wherein warehouse clubs and supercenters gained the most ground.

Sources: ICSC Research, U.S. Census Bureau

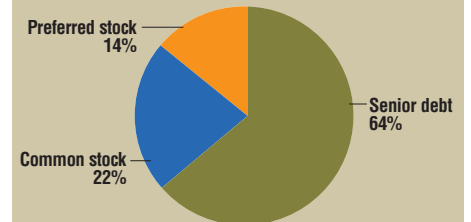
EU cross-border shopping center investment (1999–2004)



Shopping center investors in the European Union are looking to international markets within the Continent. Intra-EU transactions accounted for €18.8 billion, or 68 percent, of total investments between 1999 and 2004. In some markets, Poland and Greece among them, cross-border transactions accounted for almost all significant shopping center investment.

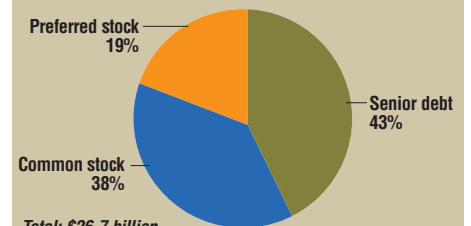
Source: CB Richard Ellis

Retail REIT capital sources



Total: \$8.9 billion

Nonretail REIT capital sources



Total: \$26.7 billion
Figures are rounded.

Source: SNL Financial