



Moving-in in Miami



Miami International Airport (MIA) is a prime location as the gateway to the Caribbean and Latin America. According to the MIA website: most other Latin American gateways combined do not have as many flights to this part of the world. The airport has an amazing trade infrastructure which supports its cargo airlines. MIA contributes over \$13.2 billion dollars to the Dade County economy. Aeroterm and MIA are a natural fit for growth strategies.

The new FedEx facility (pictured above) at MIA on the northside of the airport is our most recent acquisition.

The new construction encompasses 86,400 sf of warehouse space, 240,000 sf of ramp, and 40,000 sf of office space.

With the new MIA location, Aeroterm currently has facilities at five Florida airports and three other Latin American gateway airports in other states. We are constantly striving to meet our tenants' location needs. For more information on other Aeroterm locations, visit www.aeroterm.com or call us at 410-280-1100. For more information on MIA visit www.miami-airport.com.

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Southern California's Inland Empire



Aeroterm's tenants at the Pacific Gateway Cargo Center will be positioned for success because of their location in what is known as the Inland Empire. The Inland Empire has powerful competitive advantages that provide the area with an expanding economy. LA-Ontario International Airport is optimally positioned to leverage all of the strength of the Inland Empire such as the lower cost of doing business, highly skilled and educated workforce, and powerful logistical advantages tied to air, road and rail infrastructure.

The Inland Empire, which includes Riverside and San Bernardino counties, started out as an agrarian area, but soon non-agricultural interests began to realize the economic advantages of moving away from the coast. Less expensive real estate, less congestion, and a more family oriented environment are the reasons attracting many from the larger metropolitan areas to the Inland Empire resulting in a skilled workforce.

Aeroterm's tenants at the Pacific Gateway Cargo Center will be positioned for success...

The Inland Empire not only offers a ready to serve highly educated and highly skilled workforce, but also many training and educational options. The area has 16 colleges and universities, many of whom tailor their programs to the local industries. Because of the community's active role in fostering economic growth, many training programs were created by the Inland Empire to help the local industries in cross training and re-educating the local workforce to meet their needs.

The Inland Empire's local governments strive to meet business needs and to increase awareness of the benefits of the area. One benefit that sells itself is the power logistical advantages. The majority of products and goods coming in and out of Southern California must pass through the Inland Empire to reach their destinations because it is a nexus for trucks and trains moving in and out of Southern California.

Travel Distances

Urban Inland Empire To Destinations

Destinations	Miles	Destinations	Miles
Anaheim	50	Las Vegas	225
Newport Beach	55	Phoenix	325
Los Angeles	60	Sacramento	400
San Diego	100	San Francisco	440
Mexicali, Mexico	145	Salt Lake City	675
Mammoth Mt. Ski Area	205	Denver	950

Southern California's Inland Empire is quickly becoming the gateway to the Pacific, and Aeroterm's Pacific Gateway Cargo Center at LA-Ontario's International Airport will be the premier location to capitalize on this movement.

Come Visit Aeroterm at ACI-NA's 13th Annual Conference in Houston

Let us show you how Aeroterm provides the optimal solution for the development, management and financing of airport facilities.

With our extensive capital resources and unparalleled experience, we invest to make airports more efficient while transferring away the financial risk and delivering dedicated service to tenants.

We provide airports with a stable new source of risk-free revenue while allowing greater focus on the core business of expanding air service, managing airline needs and satisfying travelers.

Please stop by our Booth #618 while you're at the show to learn more about our successes at over 24



airports in U.S. and Canada and receive a complimentary gift.

See you in Houston!

Featured Property: New Orleans

A center for international trade, the state of Louisiana is keenly aware of the importance of trade infrastructure. Last year in exports alone Louisiana shipped over \$18 billion to over 200 countries. This feat would not have been possible without the support of its local governments, workforce, and, naturally, its marine, rail, and air ports.

Louis Armstrong New Orleans International Airport (MSY) is a great contributor to those numbers. The airport directly contributes over \$1.09 billion annually to the New Orleans economy alone.

The Aeroterm assets at MSY consist approximately 300,000 square feet in seven buildings. Six of the seven buildings have direct ramp access and the seventh has tug availability.

When Aeroterm acquired the facilities in October 2001 the occupancy rate was 71% and significant deferred maintenance existed. Through a successful leasing effort, in conjunction with a capital improvement program, the occupancy rate recently surpassed 89%, representing approximately 52,000 square feet of new leases. National credit tenants such as Continental Airlines, Delta Airlines, Southwest Airlines, Menlo Worldwide, BAX Global, Eagle Global, Bell South, and UPS make up the majority of tenancy at MSY. Rounding out the rest of the tenancy are local area companies

The airport directly contributes over \$1.09 billion to the New Orleans economy...



MSY Fast Facts

- Over 10 million passengers per year
- Over 125,000 aircraft movements
- Over 80,000 tons of cargo
- 100 non stop destinations

Bergeron Freight Services, St. John Brothers, and Cool Cargo.

Aeroterm's capital improvement program included spending approximately \$700,000 upgrading the facilities. These upgrades included warehouse dock levelers, doors, lighting as well as refreshing the office areas. Additionally, discussions have begun with the MSY airport authorities regarding expansion opportunities for new cargo facilities.

For more information on our New Orleans or any of our western properties, please contact us at 281-443-1500.

Welcome and Thank You



We would like to extend a hearty welcome and thank you to our new tenants, and our tenants who have chosen Aeroterm once again.

Our Eastern region has completed a few deals since the last newsletter. In Ft. Myers, UPS leased 2,400 sf and USPS leased 4,800 sf of warehouse. Quantem leased 9,500 sf of warehouse in Norfolk. In Philadelphia, we leased 38,040 sf of warehouse space to FedEx. US Airways leased 10,255 sf of warehouse in Syracuse, and United leased 1,750 sf of warehouse in Harrisburg. Jung Express occupies 2,830 sf of office space in our Milwaukee facilities.

Aeroterm's Western region has recently completed new deals with Southwest Airlines (13,300 sf) & Bergeron Freight (30,017 sf) in New Orleans and completed renewals with Menlo Worldwide (12,670 sf) & Continental Airlines (10,810 sf).

Our Canadian region has completed new deals of their own. FedEx leased 78,110 sf of warehouse/office space in Calgary. In Dorval, DHL (Loomis) has leased 11,200 sf of warehouse and 3,202 sf of office space. Also in Dorval, leases were signed for warehouse space with ACI Air Cargo (7,467 sf), Vanguard (7,974 sf), Trans-Escale (9,809 sf) and Canadian Post (7,641 sf). Canada Custom (19,568 sf) and Advantex (1,560 sf) signed leases for office space. In Mirabel, Purolator took 12,500 sf and Mirabel Aero Services leased 50,526 sf of warehouse space, and ICC International Cargo Charters leased 1,786 sf of office space. Finally in Ottawa, Canada Post leased 7,641 sf of warehouse space.



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TSA's Next Steps Toward Air Cargo Security

From TSA's April 9, 2004 Press Release:

TSA's Air Cargo Strategic Plan, approved in January, details a multi-phased, layered approach towards strengthening air cargo security. The plan focuses on four major components.

- 1) Enhancing the Known Shipper Program.
- 2) Establishing a cargo pre-screening system that identifies potentially high-risk cargo and ensuring that 100 percent of it is inspected.
- 3) Launching an aggressive slate of major research and development programs for air cargo.
- 4) Partnering with stakeholders to implement additional measures such as enhanced background checks on persons with access to cargo and new procedures for securing aircraft between flights.

TSA has already implemented a number of measures called for by the Strategic Plan. They include:

- 1) A commitment of \$55 million to develop new technologies for inspecting cargo for ex-

plosives, radiation, chemical and biological agents, and other dangerous substances.

- 2) Requiring foreign all-cargo carriers to comply with current cargo security procedures for domestic air carriers.
- 3) Requiring passenger and all-cargo carriers to perform random inspections of air cargo.
- 4) Beginning an effort to utilize current explosive detection technology to screen non-containerized "break-bulk" cargo.
- 5) Expanding the Known Shipper database by involving more companies and collecting more information.

The Known Shipper database provides a systematic approach to assess risk and determine the legitimacy of shippers. Passenger Air Carriers and Indirect Air Carriers must comply with a broad range of specific security requirements to qualify their clients as Known Shippers.

The TSA will continue to construct and revise its strategic plan with advisement from industry representatives through a Request for Information (RFI). For more information visit www.tsa.gov.