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Construction Finalized in Nashville



We are pleased to announce that on June 15, thanks to our construction team and the help of the Metropolitan Nashville Airport Authority, we completed the new 71,500 sf FedEx air cargo facility at Nashville International Airport six weeks ahead of schedule. The project, which has direct airside access, has a 3000 package per hour capacity which may be expanded to a 6000 per hour capacity in the next

year. The facility will be served by 2-3 wide body aircraft and consists of warehouse, office and maintenance bay areas. FedEx has taken occupancy of the facility and plans to begin soft operations in the coming weeks with full aircraft operations in late August. This is Aeroterm's newest construction project in its portfolio of over 6 million SF at over 30 Airports throughout the US, Canada and Europe.

Aeroterm in the News

Aeroterm's Officers Ken Code and John Cammett made the cover of Commercial Property News on May 1, 2006. The article on page 30 of the magazine gives a brief history of Aeroterm. Many of the company's officers were interviewed for the article, giving comments on the company's outlook and future plans. The article also references Aeroterm's rise with in the real estate world and the air cargo industry itself and our ongoing effort to provide capital and space usage solutions to our customers and airports worldwide.

We'd like to thank all of our business partners who gave statements in the article for their kind words. We appreciate your business and are happy to see that we are fulfilling your needs. Aeroterm's employees work hard to reach our goal of meeting the needs of airports and customers.



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Recognizing DHL's Humanitarian Efforts



With close to half of our buildings located in Hurricane zones, Aeroterm is well aware

of the damage a natural disaster can cause. Because of this, we wanted to be sure to acknowledge our customer's (DHL) inauguration of its Disaster Response Team (DRT) Americas on May 31, 2006. DHL's DRT Teams support the UN and international community's humanitarian relief efforts.

During recent disasters, UN and other international relief organizations benefited from having people experienced in logistics on site while trying to organize and distribute supplies to disaster affected regions, and the DRTs are the result of a strategic partnership to get supplies to scenes of natural disasters as quickly and efficiently as possible. In April

of this year an Asia Pacific DRT was inaugurated, and, on the eve of the start of this year's hurricane season, the D R T Americas was established.

The Americas team is made up of around 80 trained DHL employees who volunteer to take part on the team in addition to their normal jobs. These employees are experts in cargo handling, warehouse management, inventory control, customs clearance, road operations, communications, safety, and security. The teams will work for during the first few weeks after a disaster to organize, handle and process the initial influx of donations. You can find more information on DHL's efforts at www.dhl.com.



"DHL's DRT Teams support the UN and international community's humanitarian relief efforts."

Two New Buildings in Orlando

Aeroterm's newest acquisitions are two new buildings at Orlando International Airport (MCO). Currently fifty-seven air carriers serve MCO with non-stop flights to 69 destinations and connecting flights to destinations worldwide. In cargo, the airport has 28 carriers and handled 225,912 metric tons of cargo last year. MCO has four parallel runways, the longest of which is 12,000 ft.

The two new buildings comprise 92,800 sf of space at the airport. With the additions of these buildings, Aeroterm now has five buildings and 197,984 sf of space at MCO. The new buildings are located just south of Aeroterm's old buildings on the east side of the airport. For more information on any of our buildings in Orlando, or the rest of our facilities please, contact Mike Minear at 800-528-5565

Conferences

We would like to say thank to all of you who stopped by our booth at the Air Cargo Americas Conference. Out of hurricane season, the conference went off without a hitch. So, we'd like to say good job to all those involved in the coordination of the event.

At the end of March we were present at the ACI Air Cargo Symposium. There were many interesting presentations and panels. Aeroterm's COO, Louis Beauchemin, was a guest on one of those panels on Air Cargo Security.

Our next outings will be in September at the TIACA 23rd Annual Conference in Calgary and ACI 15th annual conference in Reno. We look forward to seeing you at our booths at either of these events.



Feature Property: Newark



Highly intertwined with the logistics industry is New Jersey's import-export industry. The state is the 12th largest in the U.S. in exports with \$19.2 billion sent overseas in 2004. Major goods exported are chemicals, computers & electronics, transportation equipment, and machinery.

Newark is at the center of the Logistics and Import-Export industries with immediate access to road, sea, and air transportation. Newark has access to seven major highways including the Garden State Parkway and the New Jersey Turnpike. The city's port is the largest marine port on the east coast and ranks third in the nation. The port is first in the U.S. for car and meat imports.

The Port Authority of New York & New Jersey operates the marine port as well as Newark Liberty Airport (EWR). EWR makes a large contribution to Newark's economy. The airport employs more than 24,000 people and provides \$11.3 billion in economic activity to the region. EWR is on 2,027 acres and has three runways. The longest runway is 11,000 ft long and 150 feet wide. EWR is one of the busiest airports in the United States and is become one of the leading international hubs. Last year, the airport saw over 33 million passengers and ranked 13th in the nation as far as passenger traffic. The airport did much better when it came to cargo. EWR ranked in the top ten last year in cargo traffic with 949,933 tons of cargo. The airport has more than 85 cargo carriers flying to national and international destinations. It is considered the overnight small package center for the New York metropolitan area, and has quick access to New Jersey's network of roads.

"...the state of New Jersey truly is one of the strongest economies in the United States."

Despite the negative images and its poor reputation, the state of New Jersey truly is one of the strongest economies in the United States. The Gross State Product forecasted for 2006 is for 454.5 billion dollars. According to the findings of the Bureau of Economic Analysis for Gross State Products, the state ranked 8th highest for 2005, beat only by California, New York, Texas, Florida, Illinois, Pennsylvania and Ohio. Contributing to the state economy are the great number of company headquarters located in the Northern part of the state. Northern New Jersey is only second to Manhattan within the Northeast corridor of the U.S. for corporate headquarters.

Many of the corporate headquarters belong to the nation's largest pharmaceutical companies. The Northern part of the state has become the pharmaceutical capital of the world. Though the growth in the pharmaceutical industry is important to the state, it is not the only growth industry. There is also forecasted growth in sectors such as bio-tech, research & technology, finance & insurance, information technology, casino & entertainment, and logistics.

Logistics has long been an important industry in New Jersey for a myriad of reasons. One of the most important reasons is location. There are over 1 million people within a 24 hour driving radius of the state with \$1 trillion in purchasing power. The state's transportation infrastructure is highly developed and supports more than 30 logistics companies and over 400 warehouse and storage facilities.



Aeroterm manages the International Air Cargo Center (IACC) at EWR. The property is located on 22 acres of land on the northeast side of the airport. The IACC consists of two state-of-the-art buildings, built in 2001 and totaling 262,000 sf of space. The complex was specifically designed to allow for superior cargo processing and efficiency. The IACC's adjacent ramp can accommodate 2 B-747 aircraft or 4 narrow-body aircraft. Among other features, the complex boasts the largest dual-entry cold storage unit on the airport. For more information on these facilities, or any of our other properties, please contact Mike Minear at 800-528-5565.