What a year! Neal Turner Realty has taken time to reflect upon our success in the Bowling Green/South Central Kentucky market place in 2007. Our representation to our clients has accounted for:

- Over **700,000 sq. ft.** of industrial space leased or sold
- Over **100,000 sq. ft.** of retail space leased or sold
- Over **100 acres** of commercial land sold
- Over **50,000 sq. ft.** of office space leased or sold

Neal Turner Realty was established over 20 years ago and serves South Central Kentucky with a full service of commercial and industrial real estate services including brokerage, management, build to suit opportunities, investing and development. 2007 was one of the most successful years for the firm, and we look forward to continued growth in 2008.

This article represents our first opportunity to update our clients and customers of the commercial real estate marketplace in and around Bowling Green, KY and to forecast future activity based on key local economic indicators.

Downtown Redevelopment

On February 7, 2008 the Bowling Green City Commission voted 3-2 to approve issuing $25 Million in bonds for the 106 acre Downtown Redevelopment Project. One of the contingencies for the bond issue is that the Master Developer secures $150 Million in private capital investment commitments from Sub-Developers. Phase I of the project is to be approximately $100 Million in capital investment and would include the 4,000 seat baseball stadium, a 790 car parking garage, a 100 room hotel, 72,000 square-feet of residential, 67,000 square-feet of retail and 26,000 square-feet of office development. Phase II would be an estimated $120 Million and include the 1,600 seat performing arts center, and an additional 149,000 square feet of residential, 102,000 square feet of retail and 68,000 square feet of office. Currently the bar for getting the Signature Tax Increment Funding (TIF) from the state is set at capital improvements of at least $200 Million, and these improvements would have to be complete by year end 2014.

Article written by John Atkerson
Firm News

As of January 1st, Alex Nottmeier, CCIM, SIOR has been promoted to Principal Broker of Neal Turner Realty. Alex has been affiliated with Neal Turner Realty for over 11 years concentrating specifically on commercial/industrial real estate brokerage throughout South Central KY.

Nottmeier has achieved both the CCIM and SIOR designations, 1 of only 8 professionals in the Commonwealth of Kentucky to hold both designations. Alex looks forward to the continued leadership that has differentiated Neal Turner Realty as the leading commercial and industrial real estate brokerage firm throughout South Central Kentucky over the past 20 years.

The Bowling Green Chamber of Commerce named Debby Peeples as the recipient of the 2007 Bart Hagerman Leadership Award on Monday, November 12, at the 2007 Leadership Bowling Green graduation ceremony.

The Hagerman Award is the top honor bestowed upon a graduating member of the Leadership Bowling Green program, and the recipient is selected by a vote of his or her classmates. The 2006 recipient, Bryan Finkbone of Citizens First Bank, presented the award. Peeples has been a lifelong resident of Bowling Green, KY with over 20 years of commercial real estate paralegal experience and is nearing her 2 year anniversary with Neal Turner Realty.

December 2007 was the three year anniversary with Neal Turner Realty for John Atkerson. John had an outstanding 2007 with activity in the office market, land sales and the development and opening of the Bowling Green Flex Park, a 50 acre small lot flex park at the entrance to the South Central Kentucky Industrial Park.

Atkerson is a graduate of the University of Tennessee School of Architecture and prior to joining Neal Turner Realty, had 14 years of industry related experience in leasing, property management, facility management and sales management in Memphis, TN. Atkerson is a CCIM (Certified Commercial Investment Member) Candidate.

In December, 2007, Neal Turner was inducted as a lifetime member into the Builders Association of South Central Kentucky. Neal had been a member of the organization for 30 years and is past president.

With over 35 years in the real estate experience, Turner has a vast knowledge level relating to all facets of commercial real estate. Turner now focuses on development and build to suit projects and is working not just in Kentucky but through out the Southeast United States from Indiana to Florida.

Current Listings Offered by Neal Turner Realty

Currently, Neal Turner Realty is exclusively marketing over 60 commercial and industrial properties located in the Bowling Green, KY marketplace. The properties consist of retail, industrial, office, land and investment. Neal Turner Realty takes great pride in our marketing efforts and our clients can be assured that their properties are being marketed at the local, regional, statewide, national and international levels. Our exclusive listing database can be accessed at: www.nealturnerrealty.com.

If you have a client or customer that would like to be added to our exclusive distribution list please e-mail Alex Nottmeier—alex@nealturnerrealty.com the party’s contact information.

The current Sofa Express, which contains 20,000 Sq. Ft., located in Bowling Green, KY, is one of many retail properties Neal Turner Realty is currently marketing.
It is difficult to open the Wall Street Journal without seeing an article projecting a downturn in the economy for 2008. Whether it is blame for the sub-prime crises, job growth or the uncertainty given it is an election year, the news media tends to paint a not so rosy picture for 2008.

The good news for the Bowling Green, KY area is that 2007 was a very positive year for commercial and industrial growth and we expect to see this trend continue into 2008. A few key indicators are as follows:

- Per the Warren County Master Commissioner's Office, scheduled foreclosure sales in Warren County increased only slightly (15%) in 2007 vs. 2006 but were down 7% from 2005 and down 34% from 2004.

- Per the Kentucky Office of Employment and Training, Warren County's unemployment rate for November, 2007 was 3.5%, down from the October, 2007's rate of 3.7%. Both months were the lowest in the entire state of Kentucky. The United States unemployment rate is 4.5% while the state of Kentucky's was 4.7% for the month of November, 2007.

- Per the City of Bowling Green, Housing and Community Development, non-residential building permits property value totals increased 23% from 2006 to 2007 ($68,600,000 to $84,400,000). It is also interesting to note that single family new unit permits decreased only 2% in 2007 vs. 2006 (269 units to 264 units). Total value of all building permits increased by 12% in 2007 vs. 2006 ($116,000,000 in 2006 vs. $130,000,000 in 2007).

- At Neal Turner Realty, 2007 was one of our most successful years in over 20 years of existence and we have an active pipeline for 2008.

The bottom line is that Bowling Green, KY is fortunate for our steady economic growth. We are fortunate to have one of the fastest growing universities in the State of Kentucky, we are fortunate for a strong Chamber of Commerce that was able to produce 14 economic development announcements in our region in 2007, we are fortunate for the political leadership at the local, regional and state level, and we are fortunate to be a regional hub for medical, education and retail, serviced by constantly upgraded infrastructure. All these items factor into a diverse and robust economy that typically does not follow the big dips of our national economy when it takes a turn for the worse.

Bowling Green started the year with over 1,000,000 sq. ft. of available industrial space and finished the year with less than 90,000 sq. ft. A low inventory of industrial space and the lowest unemployment rate in Kentucky is not an encouraging sign for future industrial growth entering into 2008. Fortunately, the surrounding counties of Warren average an unemployment rate of 4.72% which is slightly higher than the State's and Nation's average. In addition, industrial inventory over 150,000 sq. ft. has already come on the market in Bowling Green during January, 2008 and an industrial spec building is potentially in the works for Bowling Green.

Our forecast for 2008 is positive, given our current local economic indicators as outlined above. We do caution the need for any additional speculative space outside of industrial real estate in the marketplace, as we have seen an increase in vacancy and slower absorption in the retail and the office sector.

The sector that needs to be followed closely in 2008 is the industrial sector. We hope that layoffs are minimal with the speculated weakening in the national and global economy, and we remain optimistic that new industry and expansion announcements will continue. The General Motors Corvette Assembly Plant alone can produce thousands of new employment opportunities if additional auto lines are added, as was hinted in 2007. These particular jobs would more than likely come from other plants as relocations into the community.

All eyes will also be on downtown Bowling Green with the potential redevelopment (as outlined on page 1) in a market that is seeing heavy vacancies in both sectors.

Article written by Alex Nottmeier, CCIM, SIOR
Neal Turner Realty teamed up with CBRE Louisville relating to the land acquisition of 10 acres for the new 90,000 Sq. Ft. Gander Mountain and Camping World Retail Center in Bowling Green, KY located on Interstate 65 as part of the future Bluegrass Farms.

Neal Turner Realty successfully negotiated numerous leases as part of the re-tenanting of Thoroughbred Square; a 40,000 Sq. Ft. retail center in Bowling Green, KY. New retail tenants include Sakura, Ooh La La, Splurge, Lucy’s and Bath Junkie.

Neal Turner Realty completed the sale of 32 acres in Horse Cave, KY located on Interstate 65 to Loves Travel Stop and Country Store. The store opened in the 3rd quarter of 2007 and includes a McDonalds; the first McDonalds in Horse Cave, KY.

Neal Turner Realty completed a sublease with Zappos.com for an existing 23,500 Sq. Ft. stand alone retail store in Bowling Green, KY. Alex’s CCIM designation provided useful as Zappos.com was represented by another fellow CCIM; David Mayo with Vector Realty.

Neal Turner Realty completed the disposition of 1.20 acre land sale in Bowling Green, KY to Dairy Queen Corporation for a new DQ Grill and Chill located near the intersection of Campbell Lane and Nashville Road. The store opened in the fourth quarter of 2007.
Neal Turner Realty was the listing agent for the sale of two retail buildings that sold as an investment property located on Scottsville Road in Bowling Green. The owner and partial tenant retained a long term lease in a portion of one of the buildings.

Neal Turner Realty successfully completed the sale of an investment retail property leased by Goodwill located on 31 W By Pass. The building contained approximately 5,000 sq. ft. and it is located in a high retail growth area in the Bowling Green market.

Neal Turner Realty successfully completed the sale of a 16 plex apartment complex located in Bowling Green, KY to a 1031 exchange buyer. Neal Turner Realty secured the out of town buyer with the use of extensive marketing.

Neal Turner Realty completed the sale of a 7 acre/30,000 sq. ft. industrial property located in Bowling Green. The buyer plans to redevelop the property and has already begun adding additional curb cuts. The property is located on Louisville Road; a corridor that is seeing extensive retail development.

Neal Turner Realty represented BB&T in the disposition of 4 acres of excess land located in the Hartland mixed use development in Bowling Green, KY. The buyer is planning a large medical office development and plans to break ground in 2008.
Neal Turner Realty completed a lease with Huish Detergents for a 180,000 sq. ft. distribution building located in Bowling Green, KY. The building, which was formerly used by Camping World, is located on Three Springs Rd. and fronts Interstate 65.

Neal Turner Realty completed negotiations with Commonwealth Brands for a build to suit of a 100,000 Sq. ft. distribution facility in Bowling Green, KY for their point of sale promotional products. Due to a tight time frame, the facility was constructed and occupied within 3 months of lease execution.

Neal Turner Realty completed negotiations with Morgantown Manufacturing for the lease with an option to purchase on a 100,000 sq. ft. industrial facility in Morgantown, KY. Renovation began in early 2007 and production in the facility began in the 3rd quarter of 2007.

Neal Turner Realty was successful in the sale of a 66,000 sq. ft. multi use industrial property to Commonwealth Health Corporation. The building is conveniently located near the hospital and will be used for the distribution of supplies and equipment used by Commonwealth Health Corporation.

Neal Turner Realty was successful in the lease of a 17,000 sq. ft. retail anchor in Bowling Green, KY to Harbor Freight Tools for a new retail presence in the marketplace. Opening is scheduled for March, 2008. Auto Zone is the co-tenant of the property located on 31-W By Pass.

Neal Turner Realty teamed up with Fischer and Co. on the new Fed Ex Ground 45,000 sq. ft. distribution center in Bowling Green, KY. Fed Ex’s new home is a 13 acre site on Nashville Road known as the Flex Park of Bowling Green located on the corner of Mitch McConnell Blvd.