

The CoStar Industrial Report

Mid-Year 2016

Jacksonville Industrial Market



CoStarTM
The knowledge market

Table of Contents

Table of Contents	A
Methodology	B
Terms & Definitions	C
Market Highlights & Overview	1
CoStar Markets	4
Inventory & Development Analysis	5
Inventory & Development Analysis	
Select Top Under Construction Properties	
Select Top Deliveries	
Figures at a Glance	8
Figures at a Glance by Building Type & Market	
Historical Figures at a Glance	
Leasing Activity Analysis	10
Select Top Lease Transactions	
Sales Activity Analysis	12
Sales Activity Analysis	
Select Top Sales Transactions	
Analysis of Individual CoStar Submarket Clusters	14
Arlington Market	
Baker County Market	
Beaches Market	
Butler Corridor Market	
Downtown Market	
Mandarin Market	
Nassau County Market	
North Side Market	
Ocean Way Market	
Orange Park/Clay Cnty Market	
Riverside Market	
San Marco Market	
South Side Market	
St Johns Market	
West Side Market	

Methodology

The CoStar Industrial Report calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex/research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property. The quoted rental rate is exclusive of the expense pass through associated with the rent.

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CoStar Group, Inc.

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • www.costar.com • NASDAQ: CSGP

Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Jacksonville's Vacancy Decreases to 5.3%

Net Absorption Positive 993,115 SF in the Quarter

The Jacksonville Industrial market ended the second quarter 2016 with a vacancy rate of 5.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 993,115 square feet in the second quarter. Vacant sublease space increased in the quarter, ending the quarter at 46,164 square feet. Rental rates ended the second quarter at \$4.66, an increase over the previous quarter. A total of two buildings delivered to the market in the quarter totaling 25,676 square feet, with 73,201 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Jacksonville Industrial market was positive 993,115 square feet in the second quarter 2016. That compares to positive 1,407,040 square feet in the first quarter 2016, positive 1,338,291 square feet in the fourth quarter 2015, and positive 654,372 square feet in the third quarter 2015.

Tenants moving into large blocks of space in 2016 include: GE Oil & Gas moving into 510,433 square feet at Cecil Commerce Center, Calavo Growers moving into 290,185 square feet at Northeast Florida Industrial Center, and River Valley Paper Company, Inc. moving into 120,000 square feet at 850529 US Highway 17.

The Flex building market recorded net absorption of positive 33,555 square feet in the second quarter 2016, compared to negative (40,219) square feet in the first quarter 2016, positive 11,897 in the fourth quarter 2015, and positive 38,693 in the third quarter 2015.

The Warehouse building market recorded net absorption of positive 959,560 square feet in the second quarter 2016 compared to positive 1,447,259 square feet in the first quarter 2016, positive 1,326,394 in the fourth quarter 2015, and positive 615,679 in the third quarter 2015.

Vacancy

The Industrial vacancy rate in the Jacksonville market area decreased to 5.3% at the end of the second quarter 2016. The vacancy rate was 6.1% at the end of the first quarter 2016, 6.6% at the end of the fourth quarter 2015, and 7.3% at the end of the third quarter 2015.

Flex projects reported a vacancy rate of 9.9% at the end of the second quarter 2016, 10.5% at the end of the first quarter 2016, 9.9% at the end of the fourth quarter 2015, and 10.1% at the end of the third quarter 2015.

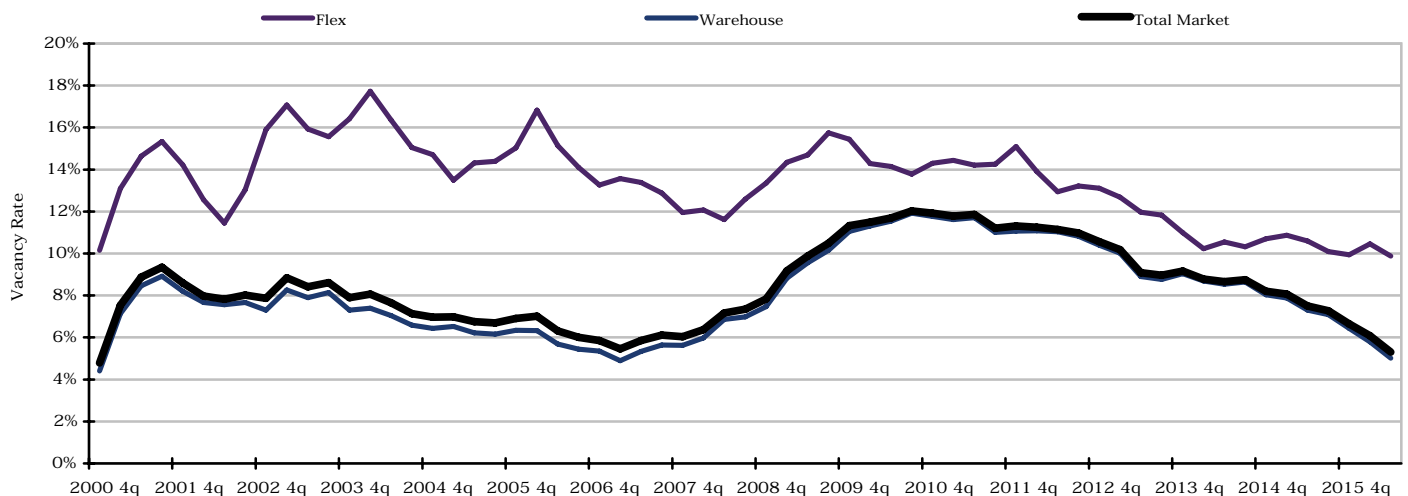
Warehouse projects reported a vacancy rate of 5.0% at the end of the second quarter 2016, 5.8% at the end of first quarter 2016, 6.4% at the end of the fourth quarter 2015, and 7.1% at the end of the third quarter 2015.

Largest Lease Signings

The largest lease signings occurring in 2016 included: the 200,000-square-foot renewal signed by Samsung Electronics America Inc at Westlake Industrial Park in the West Side market; the 59,500-square-foot deal signed by Fanatics at Cypress Point Business Park in the Butler Corridor market; and the 57,000-square-foot lease signed by Southeast Toyota at The Madison Bldg at 7750 Bayberry Rd in the Butler Corridor market.

Vacancy Rates by Building Type

1999-2016



Source: CoStar Property®

Sublease Vacancy

The amount of vacant sublease space in the Jacksonville market increased to 46,164 square feet by the end of the second quarter 2016, from 11,488 square feet at the end of the first quarter 2016. There was 16,450 square feet vacant at the end of the fourth quarter 2015 and 16,450 square feet at the end of the third quarter 2015.

Jacksonville’s Flex projects reported vacant sublease space of 0 square feet at the end of second quarter 2016, from the 0 square feet reported at the end of the first quarter 2016. There was 2,850 square feet of sublease space vacant at the end of the fourth quarter 2015, and 2,850 square feet at the end of the third quarter 2015.

Warehouse projects reported increased vacant sublease space from the first quarter 2016 to the second quarter 2016. Sublease vacancy went from 11,488 square feet to 46,164 square feet during that time. There was 13,600 square feet at the end of the fourth quarter 2015, and 13,600 square feet at the end of the third quarter 2015.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$4.66 per square foot per year at the end of the second quarter 2016 in the Jacksonville market area. This represented a 9.6% increase in quoted rental rates from the end of the first quarter 2016, when rents were reported at \$4.25 per square foot.

The average quoted rate within the Flex sector was \$9.71 per square foot at the end of the second quarter 2016, while Warehouse rates stood at \$4.34. At the end of the first quarter 2016, Flex rates were \$9.52 per square foot, and Warehouse rates were \$3.90.

Deliveries and Construction

During the second quarter 2016, two buildings totaling 25,676 square feet were completed in the Jacksonville market

area. This compares to two buildings totaling 747,752 square feet that were completed in the first quarter 2016, five buildings totaling 579,775 square feet completed in the fourth quarter 2015, and 424,527 square feet in two buildings completed in the third quarter 2015.

There was 73,201 square feet of Industrial space under construction at the end of the second quarter 2016.

Some of the notable 2016 deliveries include: GE Oil & Gas, a 510,433-square-foot facility located in the Cecil Commerce Center that delivered in first quarter 2016 and is now 100% occupied, and 4948 Bulls Bay Hwy, a 237,319-square-foot building that delivered in first quarter 2016 and is now 0% occupied.

The largest projects underway at the end of second quarter 2016 were 7051 Stuart Ave, a 50,000-square-foot facility that is 100% pre-leased; and 1182 Sumac Rd, a 23,201-square-foot facility that is 100% pre-leased.

Inventory

Total Industrial inventory in the Jacksonville market area amounted to 126,442,220 square feet in 3,978 buildings as of the end of the second quarter 2016. The Flex sector consisted of 7,622,225 square feet in 310 projects. The Warehouse sector consisted of 118,819,995 square feet in 3,668 buildings. Within the Industrial market there were 424 owner-occupied buildings accounting for 33,194,364 square feet of Industrial space.

Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Jacksonville (Florida) industrial sales figures rose during the first quarter 2016 in terms of dollar volume compared to the fourth quarter of 2015.

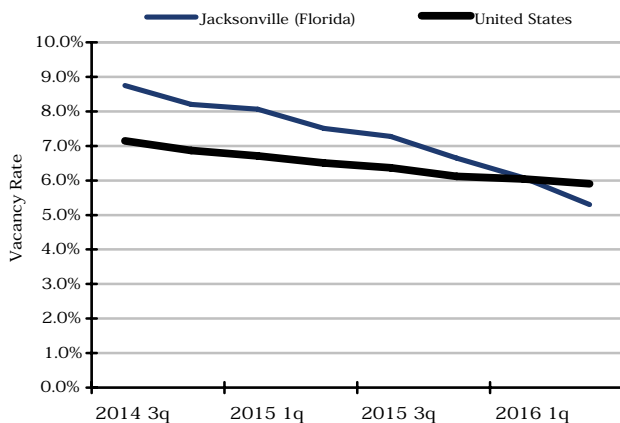
In the first quarter, 10 industrial transactions closed with a total volume of \$47,226,819. The 10 buildings totaled 884,743 square feet and the average price per square foot equated to \$53.38 per square foot. That compares to seven transactions totaling \$12,145,000 in the fourth quarter. The total square footage was 542,065 for an average price per square foot of \$22.41.

Total year-to-date industrial building sales activity in 2016 is down compared to the previous year. In the first three months of 2016, the market saw 10 industrial sales transactions with a total volume of \$47,226,819. The price per square foot has averaged \$53.38 this year. In the first three months of 2015, the market posted eight transactions with a total volume of \$99,308,854. The price per square foot averaged \$80.08.

Cap rates have been higher in 2016, averaging 8.00%, compared to the first three months of last year when they averaged 6.50%.

U.S. Vacancy Comparison

Past 8 Quarters



Source: CoStar Property®

Jacksonville Industrial Market



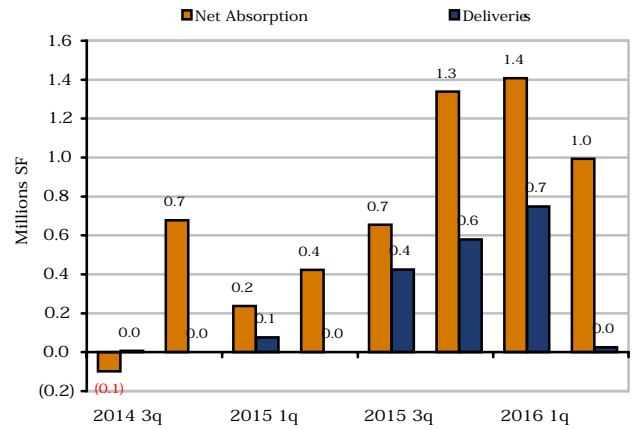
Overview

One of the largest transactions that has occurred within the last four quarters in the Jacksonville (Florida) market is the sale of Coach Distribution Center in Jacksonville. This 851,376-square-foot industrial building sold for \$90,500,000, or \$106.30 per square foot. The property sold on 8/3/2015, at a 5.97% cap rate.

Reports compiled by: Andrew Sears, CoStar Research Manager.

Absorption & Deliveries

Past 8 Quarters



Source: CoStar Property®

CoStar Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters

Arlington Ind
Baker County Ind
Beaches Ind
Butler Corridor Ind
Downtown Ind
Mandarin Ind
Nassau County Ind
North Side Ind
Ocean Way Ind
Orange Park/Clay Cnty Ind
Riverside Ind
San Marco Ind
South Side Ind
St Johns Ind
West Side Ind

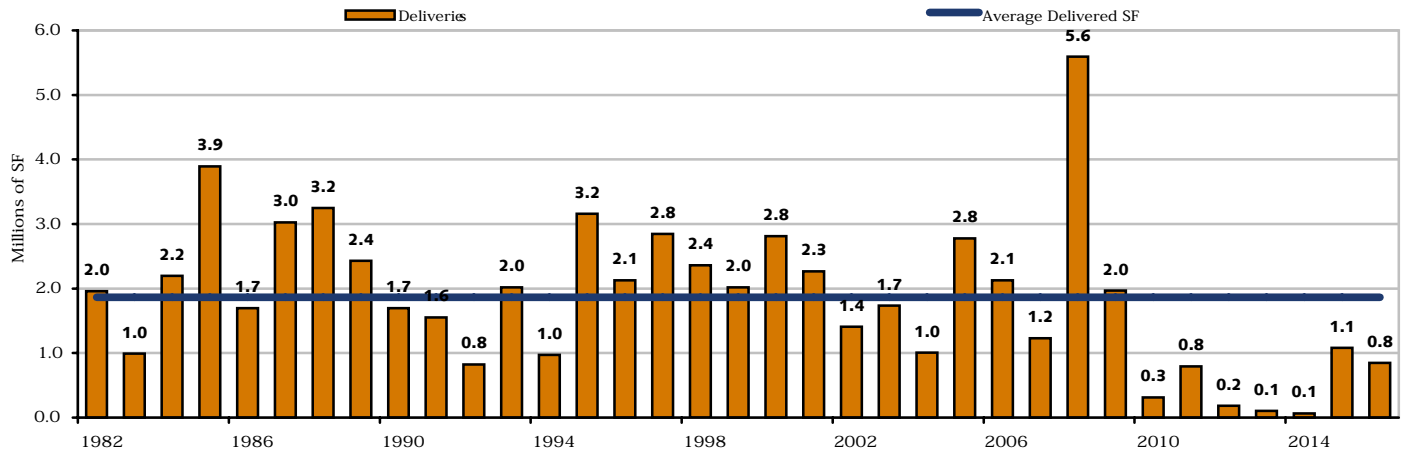
Jacksonville Industrial Market



Inventory & development

Historical Deliveries

1982 - 2016



Source: CoStar Property® * Future deliveries based on current under construction buildings.

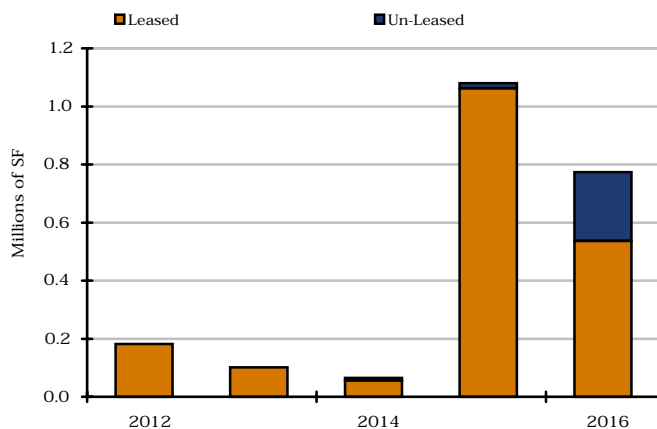
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Riverside Ind	1	50,000	50,000	100.0%	25,712	50,000
Butler Corridor Ind	1	50,000	50,000	100.0%	33,285	50,000
West Side Ind	1	23,201	23,201	100.0%	57,217	23,201
St Johns Ind	0	0	0	0.0%	16,618	0
Beaches Ind	0	0	0	0.0%	6,920	0
Orange Park/Clay Cnty Ind	0	0	0	0.0%	26,092	0
Downtown Ind	0	0	0	0.0%	25,079	0
Mandarin Ind	0	0	0	0.0%	13,824	0
North Side Ind	0	0	0	0.0%	62,440	0
Ocean Way Ind	0	0	0	0.0%	100,145	0
All Other	0	0	0	0.0%	19,741	0
Totals	3	123,201	123,201	100.0%	31,785	41,067

Source: CoStar Property®

Recent Deliveries

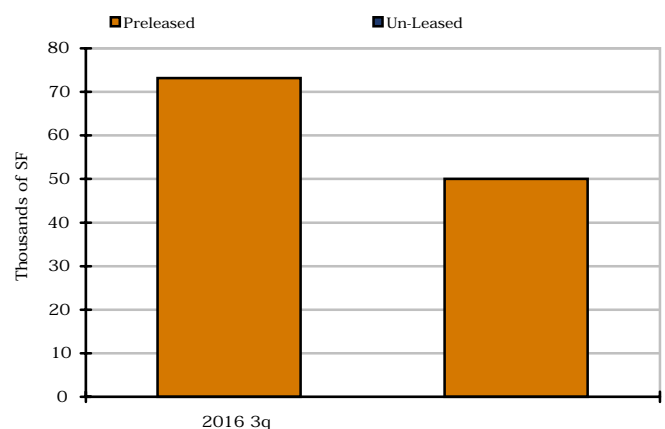
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

Future Deliveries

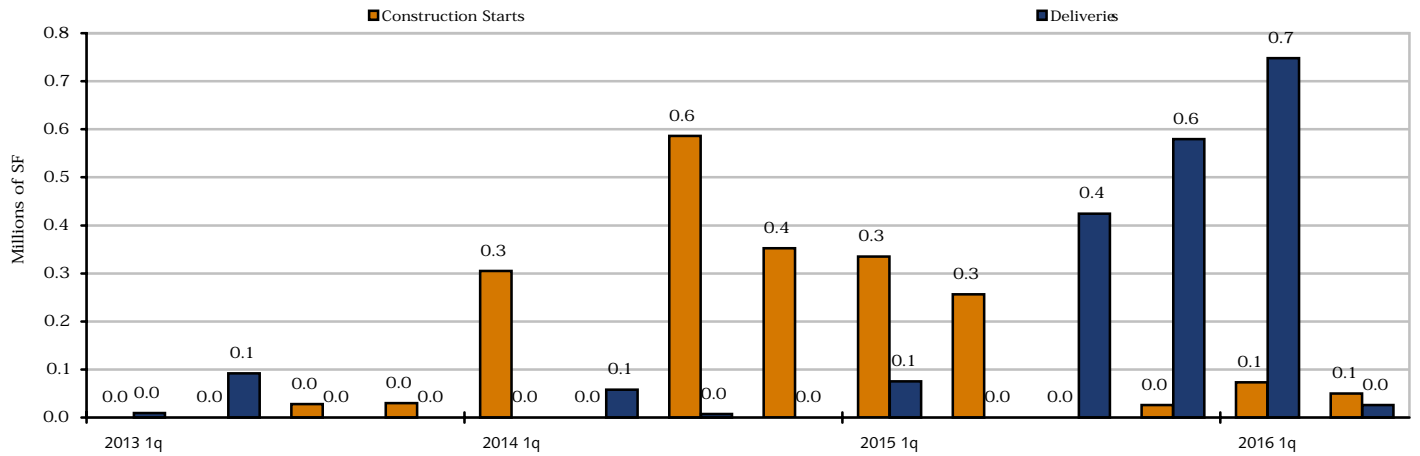
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	2	25,676	25,676	100.0%	\$0.00	25,676	0
50,000 SF - 99,999 SF	0	0	0	0.0%	\$0.00	0	0
100,000 SF - 249,999 SF	1	237,319	0	0.0%	\$0.00	0	237,319
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	1	510,433	510,433	100.0%	\$0.00	510,433	0

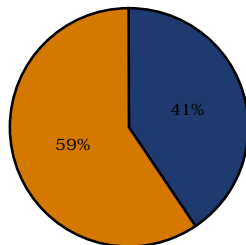
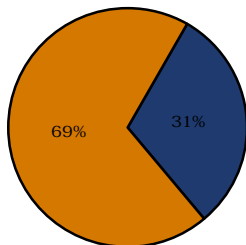
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

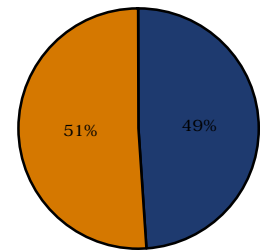
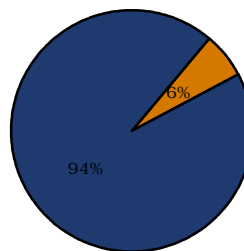
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

Jacksonville Industrial Market



Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

<p>1. GE Oil & Gas</p> <hr/> Submarket: Riverside Industrial Market RBA: 510,433 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2014 Deliv Date: First Quarter 2016 Leasing Co: Realty Income Corporation Developer: The Conlan Company	<p>2. 4948 Bulls Bay Hwy</p> <hr/> Submarket: West Side Industrial Market RBA: 237,319 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2016 Leasing Co: JLL Developer: Pattillo Industrial Real Estate	<p>3. Florida Metal Products (Addition)</p> <hr/> Submarket: Riverside Industrial Market RBA: 17,025 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Florida Metal Products Inc. Developer: Collier Tom Building
<p>4. 920 Mayport Rd</p> <hr/> Submarket: Beaches Industrial Market RBA: 8,651 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Ted Jackrel Developer: N/A		

Select Top Under Construction Properties

Based on Project Square Footage

<p>1. 7051 Stuart Ave</p> <hr/> Submarket: Riverside Industrial Market RBA: 50,000 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2016 Deliv Date: Third Quarter 2016 Leasing Co: Easton, Sanderson and Company Developer: Stg Contracting Group	<p>2. 1182 Sumac Rd</p> <hr/> Submarket: West Side Industrial Market RBA: 23,201 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2016 Deliv Date: Third Quarter 2016 Leasing Co: Bobcat of Jacksonville Developer: N/A
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Jacksonville Industrial Market

Figures at a Glance

Flex Market Statistics

Mid-Year 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arlington Ind	9	111,495	25,600	25,600	23.0%	900	0	0	\$14.08
Baker County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Beaches Ind	14	109,805	8,100	8,100	7.4%	0	0	0	\$12.15
Butler Corridor Ind	108	4,422,952	561,577	561,577	12.7%	(21,492)	0	0	\$9.53
Downtown Ind	8	80,083	0	0	0.0%	0	0	0	\$0.00
Mandarin Ind	9	78,532	2,300	2,300	2.9%	(2,300)	0	0	\$12.00
Nassau County Ind	5	35,453	0	0	0.0%	0	0	0	\$0.00
North Side Ind	4	127,824	0	0	0.0%	(12,000)	0	0	\$0.00
Ocean Way Ind	3	110,830	16,000	16,000	14.4%	0	0	0	\$4.75
Orange Park/Clay Cnty Ind	16	373,471	45,009	45,009	12.1%	(60)	0	0	\$13.90
Riverside Ind	42	585,452	2,100	2,100	0.4%	8,224	0	0	\$6.50
San Marco Ind	26	499,621	32,180	32,180	6.4%	3,314	0	0	\$10.01
South Side Ind	21	285,593	36,960	36,960	12.9%	13,064	0	0	\$8.62
St Johns Ind	32	493,980	21,440	21,440	4.3%	(5,064)	0	0	\$10.49
West Side Ind	13	307,134	1,837	1,837	0.6%	8,750	0	0	\$10.00
Totals	310	7,622,225	753,103	753,103	9.9%	(6,664)	0	0	\$9.71

Source: CoStar Property®

Warehouse Market Statistics

Mid-Year 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arlington Ind	76	967,465	59,664	59,664	6.2%	11,100	0	0	\$5.22
Baker County Ind	17	1,298,086	113,546	113,546	8.7%	0	0	0	\$3.39
Beaches Ind	144	983,582	23,285	23,285	2.4%	7,852	8,651	0	\$8.49
Butler Corridor Ind	517	16,379,878	800,018	800,018	4.9%	427,767	0	50,000	\$5.20
Downtown Ind	450	11,406,088	398,374	398,374	3.5%	8,693	0	0	\$2.79
Mandarin Ind	95	1,359,185	65,639	65,639	4.8%	(8,139)	0	0	\$5.52
Nassau County Ind	105	3,263,197	91,867	91,867	2.8%	123,856	0	0	\$3.30
North Side Ind	112	7,115,253	813,270	813,270	11.4%	(56,923)	0	0	\$3.19
Ocean Way Ind	121	12,307,180	1,153,470	1,153,470	9.4%	499,991	0	0	\$3.51
Orange Park/Clay Cnty Ind	196	5,157,978	202,674	202,674	3.9%	383,601	0	0	\$5.30
Riverside Ind	689	18,209,757	169,559	169,559	0.9%	596,346	527,458	50,000	\$4.74
San Marco Ind	224	3,912,720	109,222	109,222	2.8%	11,860	0	0	\$5.36
South Side Ind	99	1,115,671	13,748	13,748	1.2%	(800)	0	0	\$4.21
St Johns Ind	301	5,039,785	137,251	137,251	2.7%	96,320	0	0	\$5.71
West Side Ind	522	30,304,170	1,757,144	1,803,308	6.0%	305,295	237,319	23,201	\$5.13
Totals	3,668	118,819,995	5,908,731	5,954,895	5.0%	2,406,819	773,428	123,201	\$4.34

Source: CoStar Property®

Total Industrial Market Statistics

Mid-Year 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Arlington Ind	85	1,078,960	85,264	85,264	7.9%	12,000	0	0	\$5.95
Baker County Ind	17	1,298,086	113,546	113,546	8.7%	0	0	0	\$3.39
Beaches Ind	158	1,093,387	31,385	31,385	2.9%	7,852	8,651	0	\$9.17
Butler Corridor Ind	625	20,802,830	1,361,595	1,361,595	6.5%	406,275	0	50,000	\$6.34
Downtown Ind	458	11,486,171	398,374	398,374	3.5%	8,693	0	0	\$2.79
Mandarin Ind	104	1,437,717	67,939	67,939	4.7%	(10,439)	0	0	\$5.68
Nassau County Ind	110	3,298,650	91,867	91,867	2.8%	123,856	0	0	\$3.30
North Side Ind	116	7,243,077	813,270	813,270	11.2%	(68,923)	0	0	\$3.19
Ocean Way Ind	124	12,418,010	1,169,470	1,169,470	9.4%	499,991	0	0	\$3.51
Orange Park/Clay Cnty Ind	212	5,531,449	247,683	247,683	4.5%	383,541	0	0	\$5.78
Riverside Ind	731	18,795,209	171,659	171,659	0.9%	604,570	527,458	50,000	\$4.77
San Marco Ind	250	4,412,341	141,402	141,402	3.2%	15,174	0	0	\$6.11
South Side Ind	120	1,401,264	50,708	50,708	3.6%	12,264	0	0	\$7.35
St Johns Ind	333	5,533,765	158,691	158,691	2.9%	91,256	0	0	\$6.03
West Side Ind	535	30,611,304	1,758,981	1,805,145	5.9%	314,045	237,319	23,201	\$5.14
Totals	3,978	126,442,220	6,661,834	6,707,998	5.3%	2,400,155	773,428	123,201	\$4.66

Source: CoStar Property®

Jacksonville Industrial Market



Figures at a Glance

Flex Market Statistics

Mid-Year 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 2q	310	7,622,225	753,103	753,103	9.9%	33,555	0	0	0	0	\$9.71
2016 1q	311	7,634,225	798,658	798,658	10.5%	(40,219)	0	0	0	0	\$9.52
2015 4q	311	7,634,225	755,589	758,439	9.9%	11,897	0	0	0	0	\$9.37
2015 3q	311	7,634,225	767,486	770,336	10.1%	38,693	0	0	0	0	\$9.26
2015 2q	311	7,634,225	806,179	809,029	10.6%	12,720	0	0	0	0	\$9.40
2015 1q	312	7,642,995	820,355	830,519	10.9%	(12,585)	0	0	0	0	\$9.32
2014	312	7,642,995	807,770	817,934	10.7%	22,600	0	0	0	0	\$9.07
2013	312	7,642,995	830,370	840,534	11.0%	161,410	0	0	0	0	\$9.60
2012	312	7,642,995	973,030	1,001,944	13.1%	151,033	0	0	0	0	\$9.03
2011	312	7,642,995	1,130,931	1,152,977	15.1%	(60,146)	0	0	0	0	\$9.22
2010	312	7,642,995	1,061,249	1,092,831	14.3%	101,507	1	16,000	0	0	\$9.13
2009	311	7,626,995	1,114,935	1,178,338	15.4%	(159,438)	0	0	1	16,000	\$9.37
2008	311	7,626,995	974,450	1,018,900	13.4%	(64,730)	2	48,000	0	0	\$10.25
2007	309	7,578,995	874,945	906,170	12.0%	190,847	6	105,484	2	48,000	\$9.08
2006	303	7,473,511	991,533	991,533	13.3%	256,252	6	146,113	4	57,064	\$8.17
2005	297	7,327,398	1,089,079	1,101,672	15.0%	116,352	10	164,862	5	139,093	\$7.22

Source: CoStar Property®

Warehouse Market Statistics

Mid-Year 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 2q	3,668	118,819,995	5,908,731	5,954,895	5.0%	959,560	2	25,676	3	123,201	\$4.34
2016 1q	3,666	118,794,319	6,877,291	6,888,779	5.8%	1,447,259	2	747,752	4	98,877	\$3.90
2015 4q	3,664	118,046,567	7,574,686	7,588,286	6.4%	1,326,394	5	579,775	4	773,428	\$3.88
2015 3q	3,659	117,466,792	8,321,305	8,334,905	7.1%	615,679	2	424,527	7	1,327,527	\$3.82
2015 2q	3,658	117,066,758	8,541,430	8,550,550	7.3%	410,159	0	0	9	1,752,054	\$3.83
2015 1q	3,659	117,360,317	9,239,648	9,254,268	7.9%	250,643	2	75,500	6	1,495,653	\$3.84
2014	3,657	117,284,817	9,414,141	9,429,411	8.0%	1,231,965	3	65,443	5	1,236,189	\$3.74
2013	3,654	117,219,374	10,565,553	10,595,933	9.0%	1,680,305	3	101,770	2	57,823	\$3.80
2012	3,651	117,117,604	12,039,548	12,174,468	10.4%	918,865	5	181,831	3	101,770	\$3.84
2011	3,647	116,965,800	12,817,530	12,941,529	11.1%	1,516,789	5	793,031	3	149,623	\$3.86
2010	3,642	116,172,769	13,434,874	13,665,287	11.8%	(567,206)	8	296,674	5	793,031	\$3.96
2009	3,634	115,876,095	12,544,743	12,801,407	11.0%	(2,329,173)	25	1,968,189	5	42,975	\$4.23
2008	3,609	113,907,906	8,381,150	8,504,045	7.5%	3,141,718	51	5,546,224	21	1,791,755	\$4.48
2007	3,558	108,361,682	6,049,619	6,099,539	5.6%	695,246	52	1,125,716	40	4,584,430	\$4.41
2006	3,507	107,300,795	5,432,501	5,733,898	5.3%	2,931,177	45	1,981,303	44	664,788	\$3.90
2005	3,462	105,319,492	6,588,626	6,683,772	6.3%	2,329,663	66	2,610,827	38	1,582,647	\$3.69

Source: CoStar Property®

Total Industrial Market Statistics

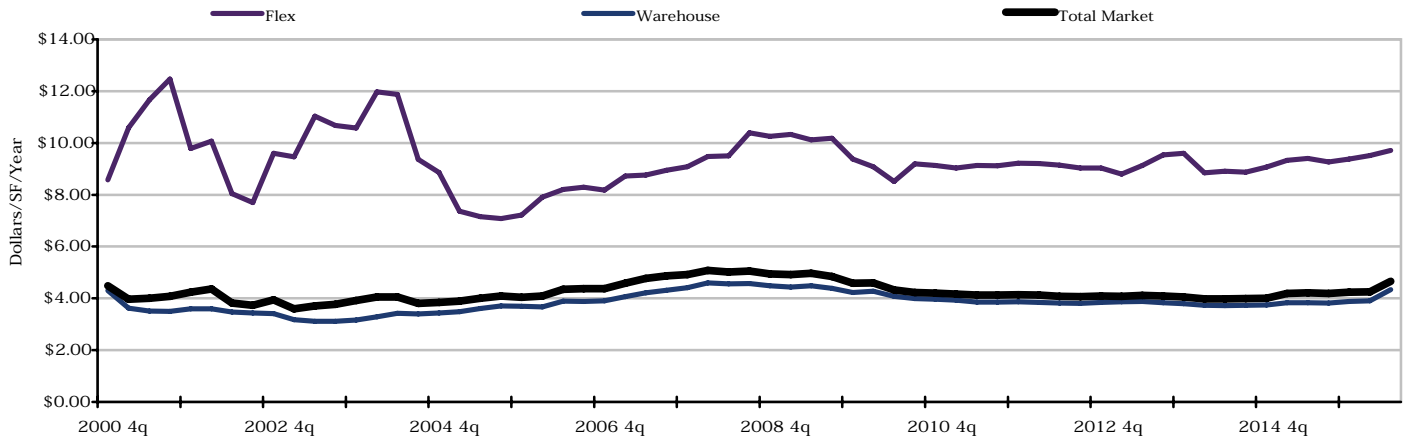
Mid-Year 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 2q	3,978	126,442,220	6,661,834	6,707,998	5.3%	993,115	2	25,676	3	123,201	\$4.66
2016 1q	3,977	126,428,544	7,675,949	7,687,437	6.1%	1,407,040	2	747,752	4	98,877	\$4.25
2015 4q	3,975	125,680,792	8,330,275	8,346,725	6.6%	1,338,291	5	579,775	4	773,428	\$4.24
2015 3q	3,970	125,101,017	9,088,791	9,105,241	7.3%	654,372	2	424,527	7	1,327,527	\$4.18
2015 2q	3,969	124,700,983	9,347,609	9,359,579	7.5%	422,879	0	0	9	1,752,054	\$4.21
2015 1q	3,971	125,003,312	10,060,003	10,084,787	8.1%	238,058	2	75,500	6	1,495,653	\$4.19
2014	3,969	124,927,812	10,221,911	10,247,345	8.2%	1,254,565	3	65,443	5	1,236,189	\$4.01
2013	3,966	124,862,369	11,395,923	11,436,467	9.2%	1,841,715	3	101,770	2	57,823	\$4.05
2012	3,963	124,760,599	13,012,578	13,176,412	10.6%	1,069,898	5	181,831	3	101,770	\$4.09
2011	3,959	124,608,795	13,948,461	14,094,506	11.3%	1,456,643	5	793,031	3	149,623	\$4.15
2010	3,954	123,815,764	14,496,123	14,758,118	11.9%	(465,699)	9	312,674	5	793,031	\$4.20
2009	3,945	123,503,090	13,659,678	13,979,745	11.3%	(2,488,611)	25	1,968,189	6	58,975	\$4.58
2008	3,920	121,534,901	9,355,600	9,522,945	7.8%	3,076,988	53	5,594,224	21	1,791,755	\$4.95
2007	3,867	115,940,677	6,924,564	7,005,709	6.0%	886,093	58	1,231,200	42	4,632,430	\$4.92
2006	3,810	114,774,306	6,424,034	6,725,431	5.9%	3,187,429	51	2,127,416	48	721,852	\$4.37
2005	3,759	112,646,890	7,677,705	7,785,444	6.9%	2,446,015	76	2,775,689	43	1,721,740	\$4.04

Source: CoStar Property®

Historical Rental Rates

Based on Quoted Rental Rates



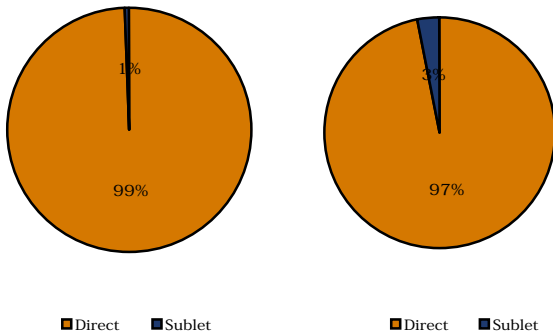
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Jacksonville (Florida)

United States



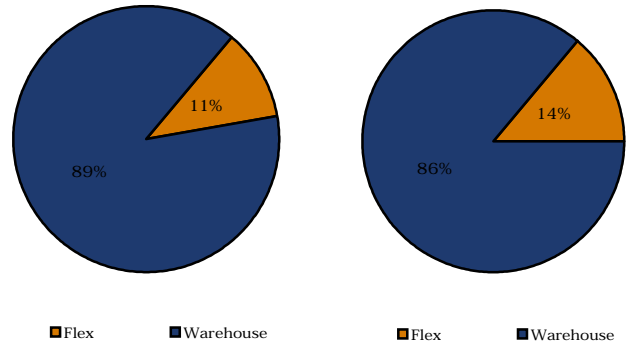
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

Jacksonville (Florida)

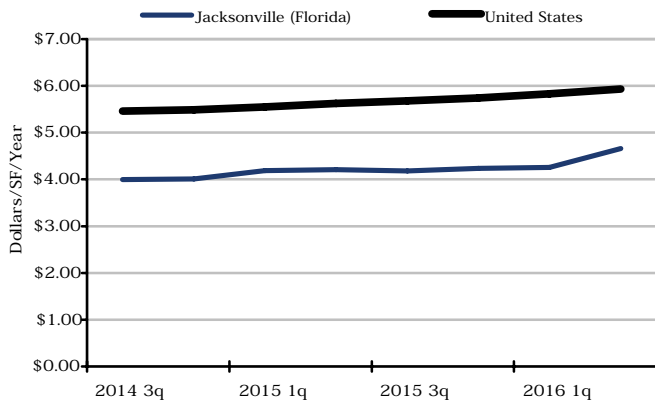
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

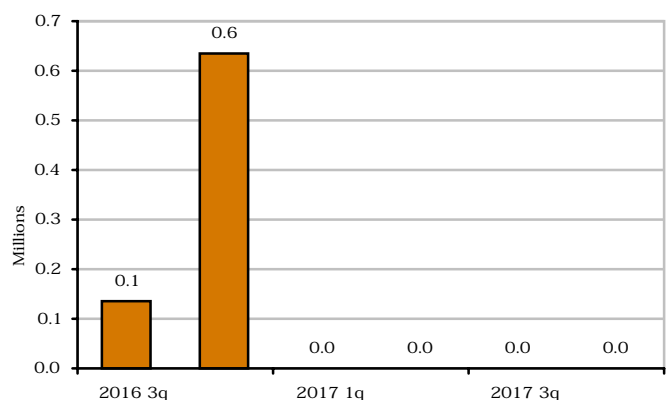
Based on Average Quoted Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space

Jacksonville Industrial Market



Leasing Activity

Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2016

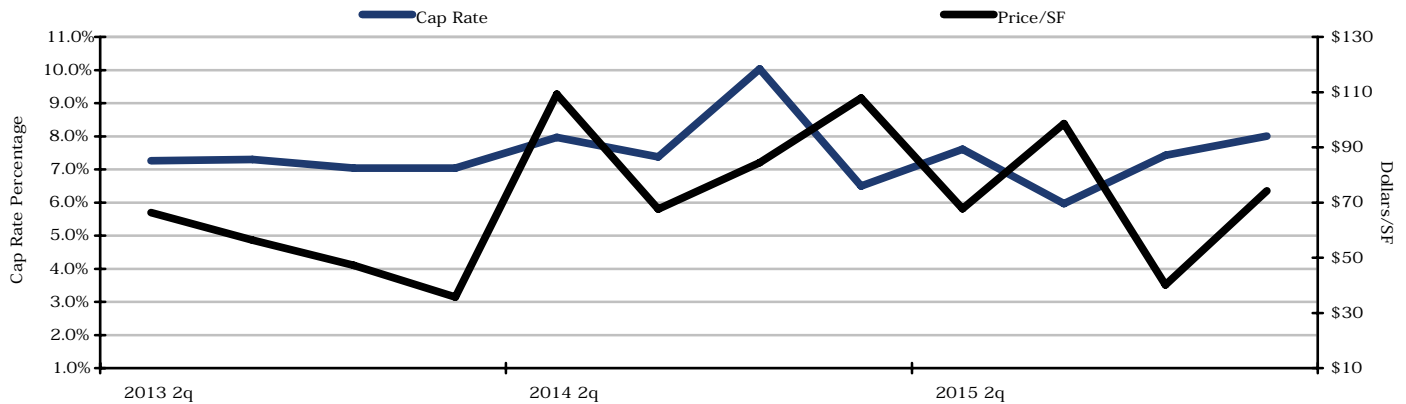
Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Westlake Industrial Park*	West Side Ind	200,000	1st	Samsung Electronics America Inc	N/A	N/A
2 Alta Lakes Commerce Center - Building 3	Ocean Way Ind	110,137	1st	N/A	N/A	Newmark Grubb Phoenix Realty Group
3 302 N Lane Ave	West Side Ind	81,658	2nd	N/A	N/A	Cushman & Wakefield of Florida, Inc
4 122 Industrial Loop NW	Orange Park/Clay Cnty Ind	60,800	2nd	Navy	N/A	Westlax Development Company; ABC Ind
5 Cypress Point Business Park	Butler Corridor Ind	59,500	1st	Fanatics	N/A	Graham & Company, LLC
6 7750 Bayberry Rd	Butler Corridor Ind	57,000	1st	Southeast Toyota	N/A	G F Florida
7 5941 Richard St	Butler Corridor Ind	49,000	2nd	N/A	N/A	Pine Street/RPS, LLC
8 7022 A C Skinner Pky	Butler Corridor Ind	48,280	1st	FIDELITONE	Newmark Grubb Phoenix Realty Group	Lingerfelt Common Wealth Partners
9 4390 Imeson Rd	West Side Ind	42,587	1st	N/A	N/A	JLL
10 Westside Industrial Park - Building 19	West Side Ind	42,164	2nd	N/A	N/A	JLL
11 Westgate Distribution Center	West Side Ind	42,000	2nd	N/A	N/A	Cushman & Wakefield of Florida, Inc
12 5151-5191 Shawland Rd	West Side Ind	25,000	1st	N/A	N/A	Cushman & Wakefield of Florida, Inc
13 Reynolds Industrial Park - Building 7	Orange Park/Clay Cnty Ind	24,778	1st	Bakken Systems	N/A	Reynolds Industrial Park
14 6803 Stuart Ln*	Riverside Ind	23,184	2nd	Superior Plus Construction Products Corp	N/A	N/A
15 6982 Highway Ave	Riverside Ind	22,500	1st	N/A	N/A	Easton, Sanderson and Company
16 885 Bulkhead Rd - Building 391	Orange Park/Clay Cnty Ind	21,350	2nd	Lockheed Martin	Direct Deal	Reynolds Industrial Park
17 5151-5191 Shawland Rd	West Side Ind	21,200	1st	N/A	N/A	Cushman & Wakefield of Florida, Inc
18 4115 University Blvd W	San Marco Ind	20,000	1st	N/A	N/A	Easton, Sanderson and Company
19 34 N Industrial Loop	Orange Park/Clay Cnty Ind	19,000	1st	N/A	N/A	ABC Industrial Park
20 Avenues North Commerce Pk - Bldg 200	Butler Corridor Ind	18,908	1st	EMG World Class Gymnastics	Colliers International Northeast Fl	Colliers International Northeast Fl
21 175 Cumberland Park Ln	St Johns Ind	15,500	2nd	N/A	N/A	Colliers International Northeast Fl
22 5032 Phillips Hwy - Building #1	San Marco Ind	14,760	1st	N/A	N/A	Newmark Grubb Phoenix Realty Group
23 Avenues North Commerce Pk - Building 400	Butler Corridor Ind	13,600	1st	N/A	N/A	Colliers International Northeast Fl
24 700 Mill Creek Rd	Arlington Ind	13,300	2nd	N/A	N/A	Landbridge Realty Group
25 Highway Ave Distribution - Bldg 1 - Highway A	Riverside Ind	13,200	1st	Liberty Engine	N/A	Newmark Grubb Phoenix Realty Group
26 Westside Industrial Park - Building 3	West Side Ind	12,800	1st	Sea Frigate Logistics	JLL	JLL
27 Belfort Park - Belfort Five	Butler Corridor Ind	12,611	1st	N/A	N/A	Banyan Street Capital
28 3210 W Beaver St	Riverside Ind	12,196	1st	N/A	N/A	Colliers International Northeast Fl
29 1839 Ionia St	Downtown Ind	11,000	1st	N/A	N/A	N/A
30 2900 N Canal St	West Side Ind	10,850	2nd	Henley Metal LLC	N/A	Powell Edward R
31 4827 Philips Hwy	San Marco Ind	10,728	1st	Stage Lighting Store	N/A	Tresca Equipment Company; Colliers
32 Agmac Distribution Center	West Side Ind	10,000	2nd	N/A	N/A	Cushman & Wakefield of Florida, Inc
33 1901 Hill St - Building C	Downtown Ind	10,000	2nd	N/A	N/A	709 Talleyrand Ave
34 Airport Industrial Park - Building 300	North Side Ind	10,000	2nd	N/A	Direct Deal	BRC Florida Holdings, LLC
35 1850 Wambolt St	Downtown Ind	10,000	2nd	N/A	N/A	709 Talleyrand Ave
36 South Gate Building 3	Butler Corridor Ind	9,750	1st	The Carpet Company III	Colliers International Northeast Fl	Colliers International Northeast Fl
37 3215 Business Park Ct	Orange Park/Clay Cnty Ind	9,600	2nd	N/A	N/A	Keller Williams First Coast Realty
38 5800 France Ave	Riverside Ind	9,500	2nd	N/A	N/A	Coldwell Banker Commercial Benchmark
39 680 Edgewood Ave N	West Side Ind	8,240	1st	Engine Land	N/A	Litmark, Inc.
40 115 S 2nd St	Nassau County Ind	7,656	1st	Maritime Museum	N/A	Amelia Coastal Realty

Source: CoStar Property®

* Renewal

The Optimist Sales Index

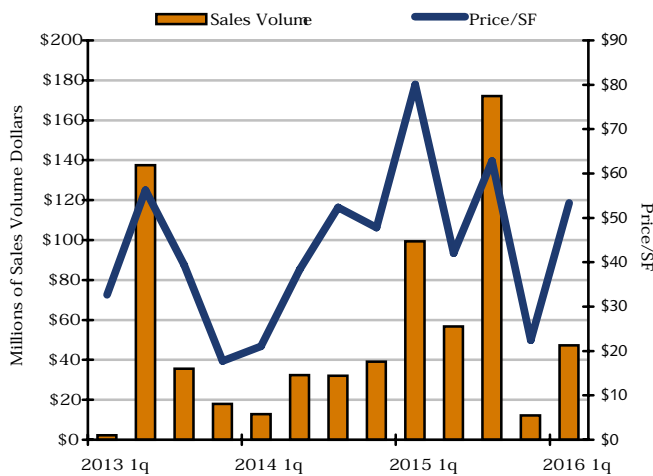
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

Sales Volume & Price

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Sales Analysis by Building Size

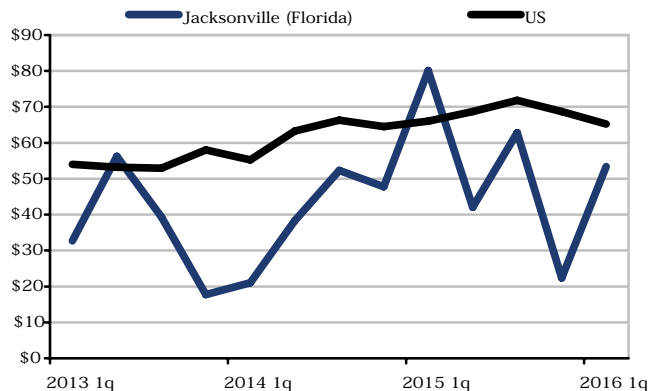
Based on Industrial Bldg Sales From April 2015 - March 2016

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	34	431,636	\$27,342,200	\$ 63.35	-
25K-99K SF	24	1,151,878	\$46,467,700	\$ 40.34	7.81%
100K-249K SF	7	1,067,530	\$44,633,100	\$ 41.81	-
>250K SF	4	3,037,705	\$186,122,819	\$ 61.27	5.97%

Source: CoStar COMPS®

U.S. Price/SF Comparison

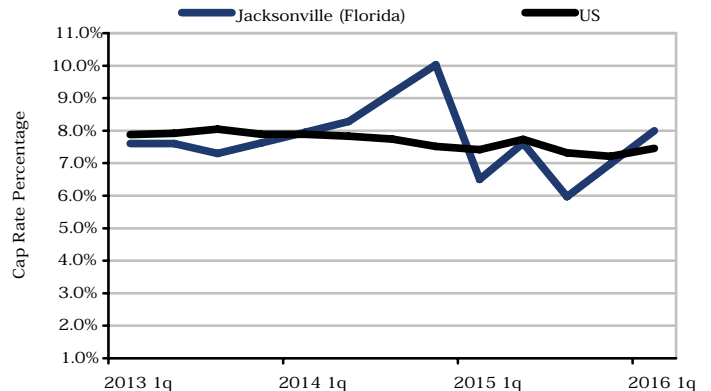
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Jacksonville Industrial Market



Sales Activity

Select Top Sales

Based on Sales from April 2015 Through June 2016

1. Coach Distribution Center



Jacksonville

Price: **\$90,500,000**
 Price/SF: **\$106.30**
 Cap Rate: **5.97%**
 RBA: **851,376**
 Date: **8/3/2015**
 Year Built: **1995**
 Buyer: **Intercontinental Real Estate Corporation**
 Seller: **Canyon Capital Realty Advisors, LLC**

2. Jacksonville International Tradeport



Jacksonville

Price: **\$37,260,000**
 Price/SF: **\$41.20**
 Cap Rate: **N/A**
 RBA: **904,380**
 Date: **5/14/2015**
 Year Built: **2003**
 Buyer: **Catellus Development Corporation**
 Seller: **Flagler Real Estate Services, LLC**

3. 11530 New Berlin Rd



Jacksonville

Price: **\$33,000,000**
 Price/SF: **\$37.82**
 Cap Rate: **N/A**
 RBA: **872,627**
 Date: **9/9/2015**
 Year Built: **2009**
 Buyer: **Real Capital Solutions, Inc.**
 Seller: **Oakmont Industrial Group LLC**

4. Northpoint Industrial Park



Jacksonville

Price: **\$25,362,819**
 Price/SF: **\$61.96**
 Cap Rate: **N/A**
 RBA: **409,322**
 Date: **2/24/2016**
 Year Built: **2006**
 Buyer: **Pattillo Industrial Real Estate**
 Seller: **Gwinnett Industries, Inc.**

5. 8324 Baymeadows Way



Jacksonville

Price: **\$11,000,000**
 Price/SF: **\$90.91**
 Cap Rate: **N/A**
 RBA: **121,000**
 Date: **7/27/2015**
 Year Built: **1982**
 Buyer: **TierPoint, LLC**
 Seller: **CxP Datacenters**

6. 6595 Pritchard Pky



Jacksonville

Price: **\$7,500,000**
 Price/SF: **\$55.41**
 Cap Rate: **N/A**
 RBA: **135,360**
 Date: **1/20/2016**
 Year Built: **2001**
 Buyer: **Pattillo Industrial Real Estate**
 Seller: **Prologis**

7. Park East Plaza



Jacksonville

Price: **\$3,725,000**
 Price/SF: **\$86.23**
 Cap Rate: **N/A**
 RBA: **43,200**
 Date: **3/16/2016**
 Year Built: **2000**
 Buyer: **St John River Investment LLC**
 Seller: **Park East Plaza 130 LLC**

8. Westside Industrial Park - Building



Jacksonville

Price: **\$3,677,000**
 Price/SF: **\$46.25**
 Cap Rate: **N/A**
 RBA: **79,500**
 Date: **7/15/2015**
 Year Built: **2004**
 Buyer: **First American Exchange Company**
 Seller: **D&H Distributing Co**

9. 102 A Philip Randolph Blvd



Jacksonville

Price: **\$2,500,000**
 Price/SF: **\$39.91**
 Cap Rate: **N/A**
 RBA: **62,647**
 Date: **3/16/2016**
 Year Built: **1942**
 Buyer: **102 A Philip Randolph LLC**
 Seller: **Doro Arlene R**



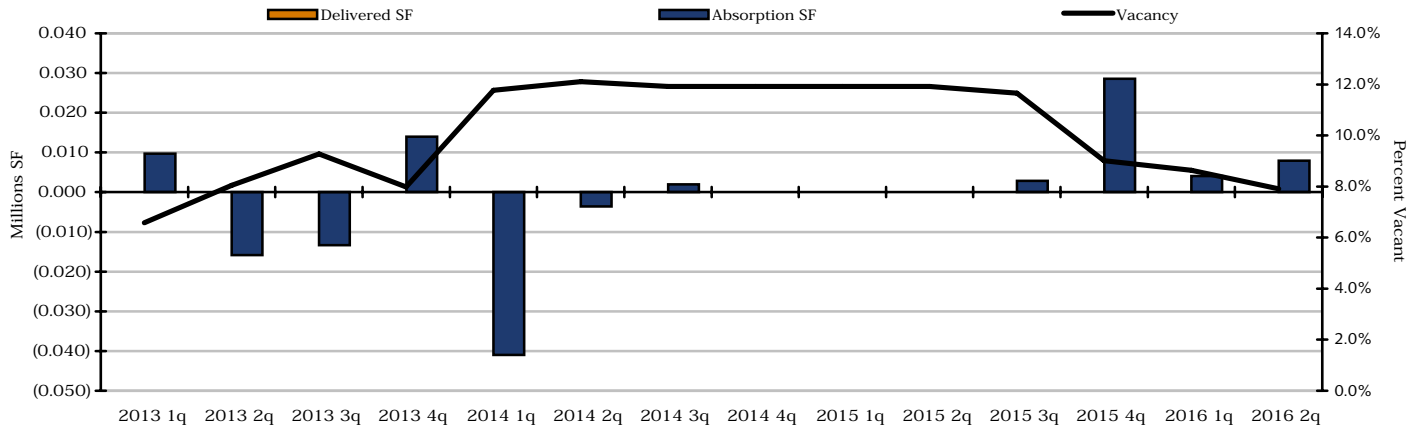
Jacksonville Industrial Market

Arlington Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

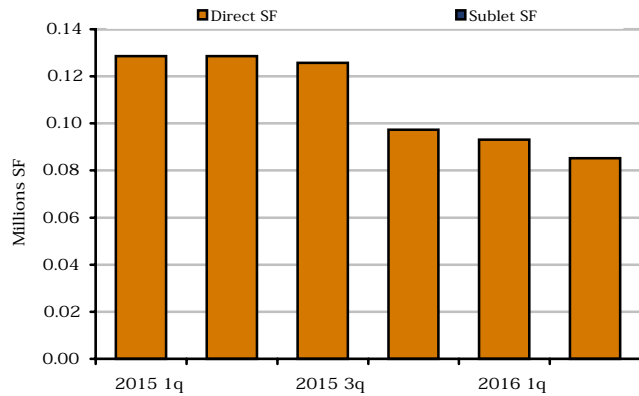
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

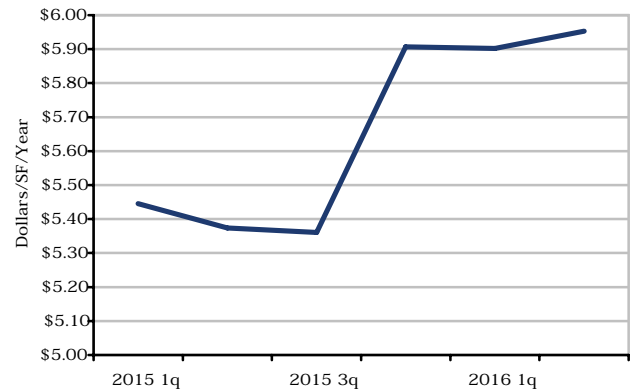
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	85	1,078,960	85,264	7.9%	7,900	0	0	0	0	\$5.95
2016 1q	85	1,078,960	93,164	8.6%	4,100	0	0	0	0	\$5.90
2015 4q	85	1,078,960	97,264	9.0%	28,528	0	0	0	0	\$5.91
2015 3q	85	1,078,960	125,792	11.7%	2,852	0	0	0	0	\$5.36
2015 2q	85	1,078,960	128,644	11.9%	0	0	0	0	0	\$5.37
2015 1q	85	1,078,960	128,644	11.9%	0	0	0	0	0	\$5.45
2014 4q	85	1,078,960	128,644	11.9%	0	0	0	0	0	\$5.45
2014 3q	85	1,078,960	128,644	11.9%	2,000	0	0	0	0	\$5.46
2014 2q	85	1,078,960	130,644	12.1%	(3,600)	0	0	0	0	\$5.62
2014 1q	85	1,078,960	127,044	11.8%	(40,964)	0	0	0	0	\$5.65
2013 4q	85	1,078,960	86,080	8.0%	14,000	0	0	0	0	\$6.49
2013 3q	85	1,078,960	100,080	9.3%	(13,300)	0	0	0	0	\$6.73
2013 2q	85	1,078,960	86,780	8.0%	(15,828)	0	0	0	0	\$6.67
2013 1q	85	1,078,960	70,952	6.6%	9,710	0	0	0	0	\$7.22
2012 4q	85	1,078,960	80,662	7.5%	(9,162)	0	0	0	0	\$7.22
2012 3q	85	1,078,960	71,500	6.6%	(6,600)	0	0	0	0	\$6.72

Source: CoStar Property®

Jacksonville Industrial Market

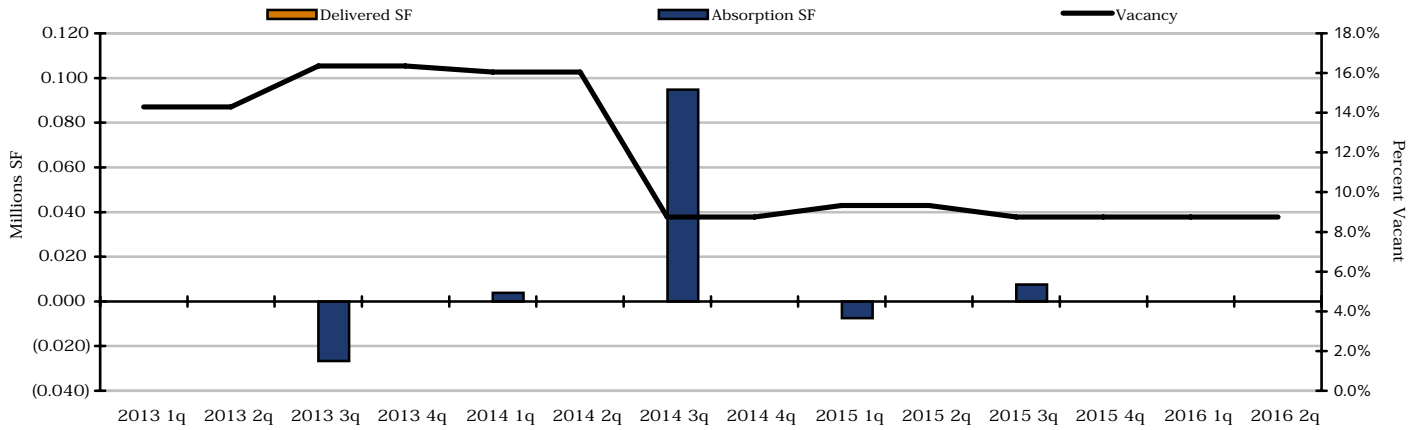


Baker County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

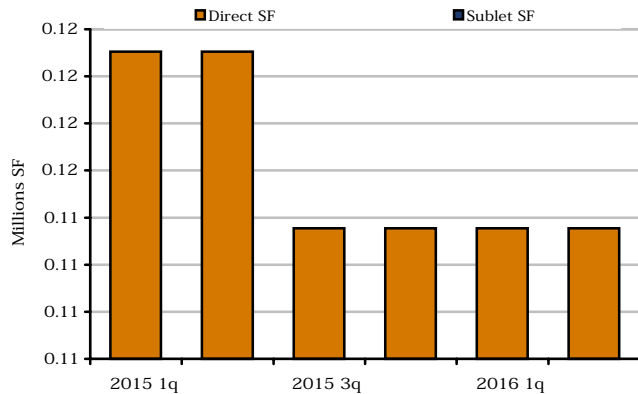
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

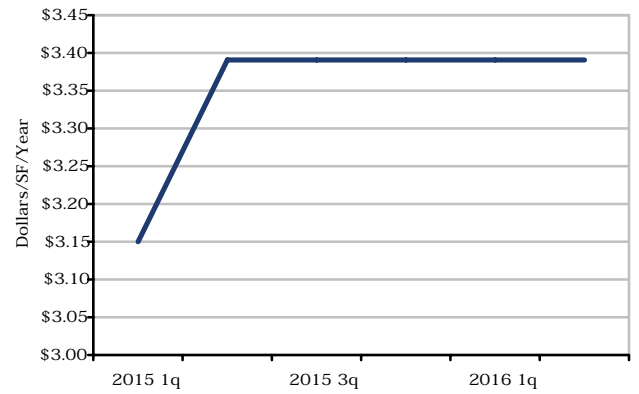
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	17	1,298,086	113,546	8.7%	0	0	0	0	0	\$3.39
2016 1q	17	1,298,086	113,546	8.7%	0	0	0	0	0	\$3.39
2015 4q	17	1,298,086	113,546	8.7%	0	0	0	0	0	\$3.39
2015 3q	17	1,298,086	113,546	8.7%	7,500	0	0	0	0	\$3.39
2015 2q	17	1,298,086	121,046	9.3%	0	0	0	0	0	\$3.39
2015 1q	17	1,298,086	121,046	9.3%	(7,500)	0	0	0	0	\$3.15
2014 4q	17	1,298,086	113,546	8.7%	0	0	0	0	0	\$3.15
2014 3q	17	1,298,086	113,546	8.7%	94,851	0	0	0	0	\$3.15
2014 2q	17	1,298,086	208,397	16.1%	0	0	0	0	0	\$3.15
2014 1q	17	1,298,086	208,397	16.1%	3,900	0	0	0	0	\$3.15
2013 4q	17	1,298,086	212,297	16.4%	0	0	0	0	0	\$3.15
2013 3q	17	1,298,086	212,297	16.4%	(26,746)	0	0	0	0	\$3.15
2013 2q	17	1,298,086	185,551	14.3%	0	0	0	0	0	\$3.15
2013 1q	17	1,298,086	185,551	14.3%	0	0	0	0	0	\$3.15
2012 4q	17	1,298,086	185,551	14.3%	0	0	0	0	0	\$3.15
2012 3q	17	1,298,086	185,551	14.3%	0	0	0	0	0	\$3.15

Source: CoStar Property®

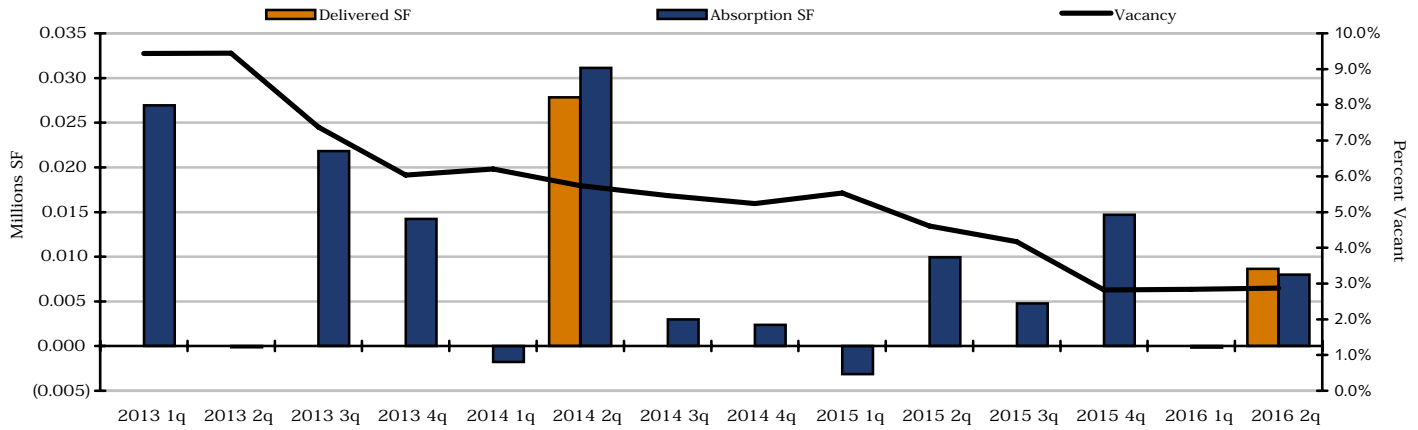


Jacksonville Industrial Market

Beaches Market MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

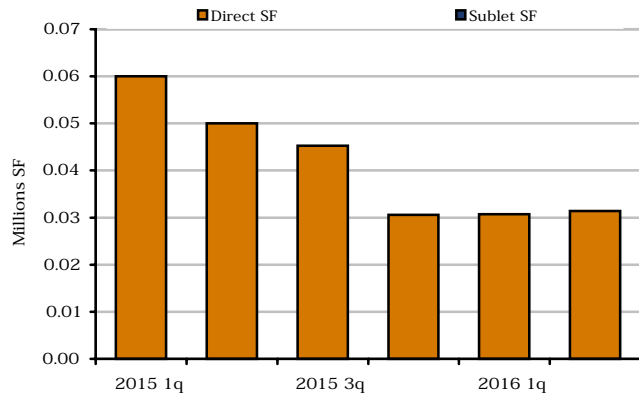
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

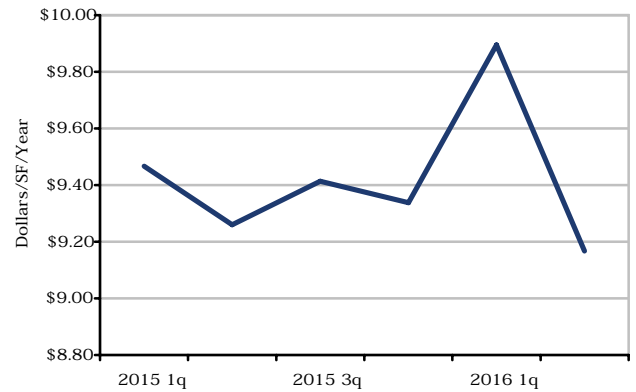
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	158	1,093,387	31,385	2.9%	8,002	1	8,651	0	0	\$9.17
2016 1q	157	1,084,736	30,736	2.8%	(150)	0	0	1	8,651	\$9.90
2015 4q	157	1,084,736	30,586	2.8%	14,706	0	0	1	8,651	\$9.34
2015 3q	157	1,084,736	45,292	4.2%	4,760	0	0	0	0	\$9.41
2015 2q	157	1,084,736	50,052	4.6%	9,949	0	0	0	0	\$9.26
2015 1q	157	1,084,736	60,001	5.5%	(3,148)	0	0	0	0	\$9.47
2014 4q	157	1,084,736	56,853	5.2%	2,385	0	0	0	0	\$9.31
2014 3q	157	1,084,736	59,238	5.5%	2,974	0	0	0	0	\$9.31
2014 2q	157	1,084,736	62,212	5.7%	31,136	1	27,823	0	0	\$9.27
2014 1q	156	1,056,913	65,525	6.2%	(1,765)	0	0	1	27,823	\$9.56
2013 4q	156	1,056,913	63,760	6.0%	14,238	0	0	1	27,823	\$9.39
2013 3q	156	1,056,913	77,998	7.4%	21,823	0	0	1	27,823	\$9.50
2013 2q	156	1,056,913	99,821	9.4%	(113)	0	0	0	0	\$9.11
2013 1q	156	1,056,913	99,708	9.4%	26,929	0	0	0	0	\$9.15
2012 4q	156	1,056,913	126,637	12.0%	5,602	0	0	0	0	\$8.87
2012 3q	156	1,056,913	132,239	12.5%	14,484	1	5,104	0	0	\$9.23

Source: CoStar Property®

Jacksonville Industrial Market

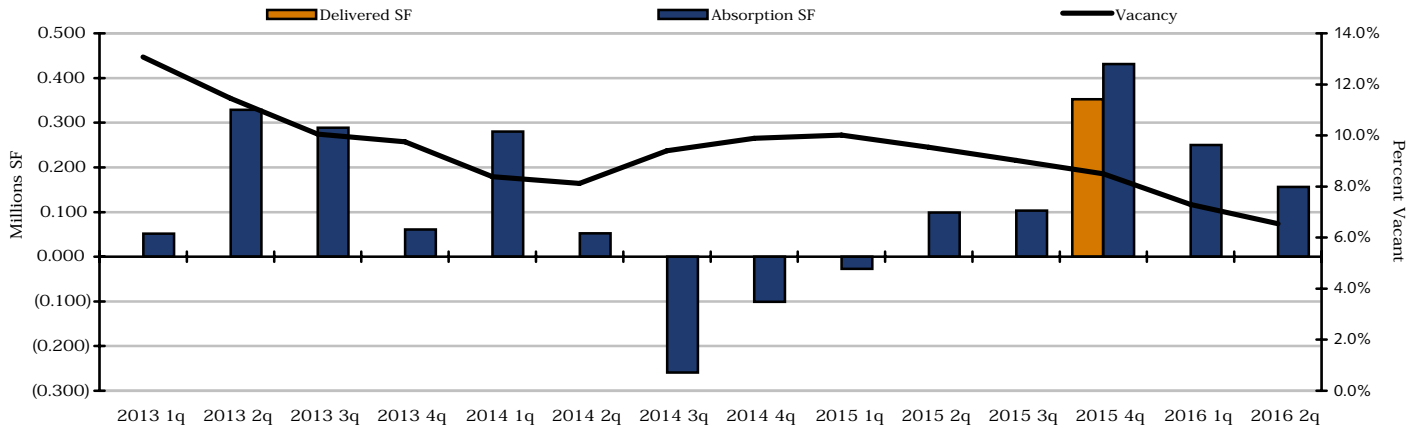


Butler Corridor Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

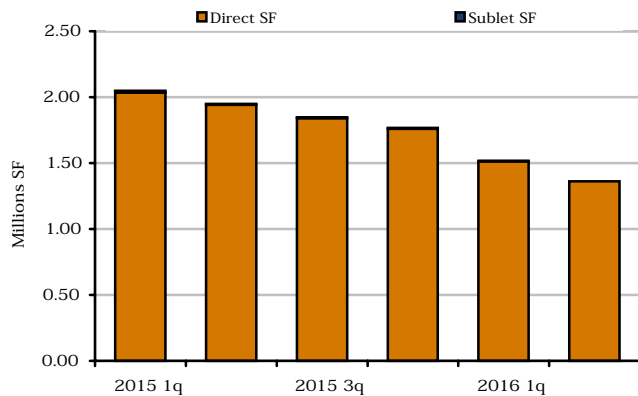
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

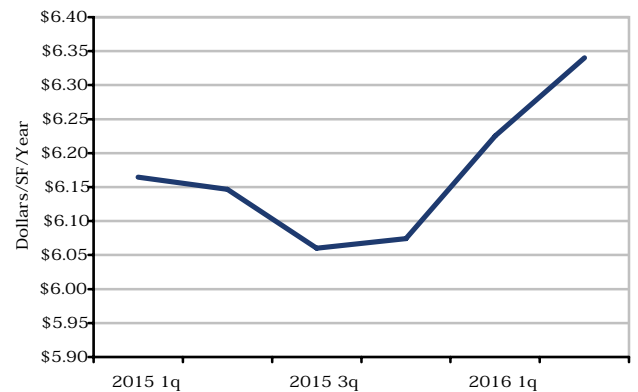
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	625	20,802,830	1,361,595	6.5%	156,206	0	0	1	50,000	\$6.34
2016 1q	625	20,802,830	1,517,801	7.3%	250,069	0	0	0	0	\$6.23
2015 4q	625	20,802,830	1,767,870	8.5%	431,519	1	352,677	0	0	\$6.07
2015 3q	624	20,450,153	1,846,712	9.0%	103,482	0	0	1	352,677	\$6.06
2015 2q	624	20,450,153	1,950,194	9.5%	98,597	0	0	1	352,677	\$6.15
2015 1q	624	20,450,153	2,048,791	10.0%	(26,839)	0	0	1	352,677	\$6.16
2014 4q	624	20,450,153	2,021,952	9.9%	(100,785)	0	0	1	352,677	\$5.83
2014 3q	624	20,450,153	1,921,167	9.4%	(259,406)	0	0	0	0	\$5.71
2014 2q	624	20,450,153	1,661,761	8.1%	52,371	0	0	0	0	\$5.66
2014 1q	624	20,450,153	1,714,132	8.4%	279,858	0	0	0	0	\$5.48
2013 4q	624	20,450,153	1,993,990	9.8%	61,050	0	0	0	0	\$5.97
2013 3q	624	20,450,153	2,055,040	10.0%	288,847	0	0	0	0	\$5.70
2013 2q	624	20,450,153	2,343,887	11.5%	328,675	0	0	0	0	\$5.59
2013 1q	624	20,450,153	2,672,562	13.1%	51,969	0	0	0	0	\$5.51
2012 4q	624	20,450,153	2,724,531	13.3%	113,065	0	0	0	0	\$5.56
2012 3q	624	20,450,153	2,837,596	13.9%	(102,939)	0	0	0	0	\$5.54

Source: CoStar Property®



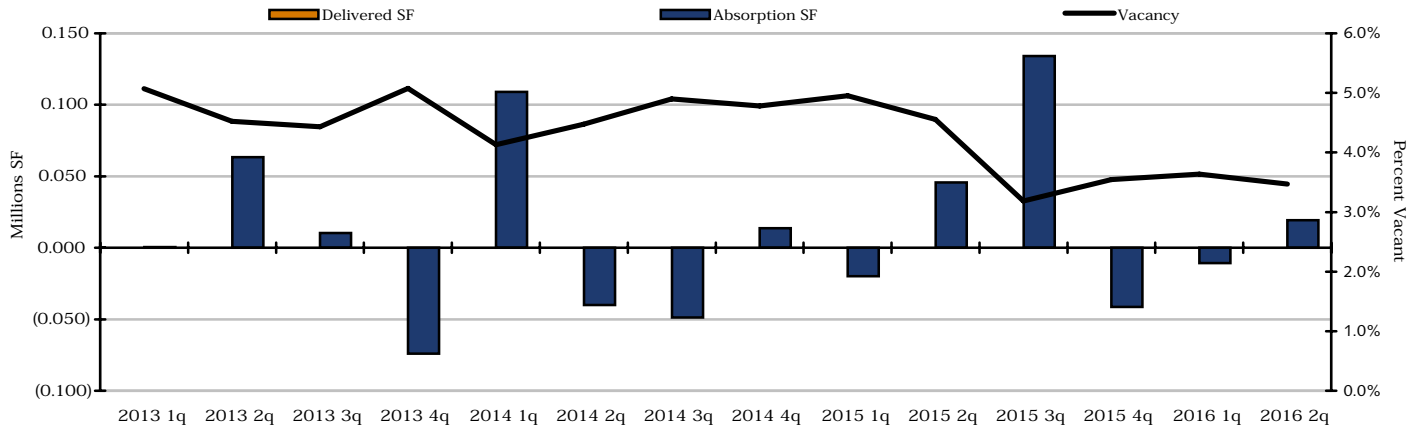
Jacksonville Industrial Market

Downtown Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

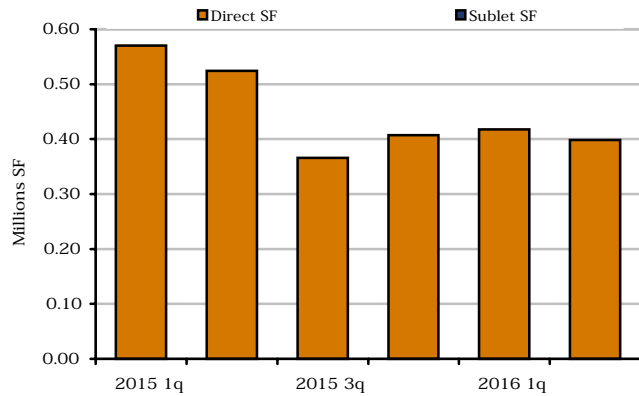
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

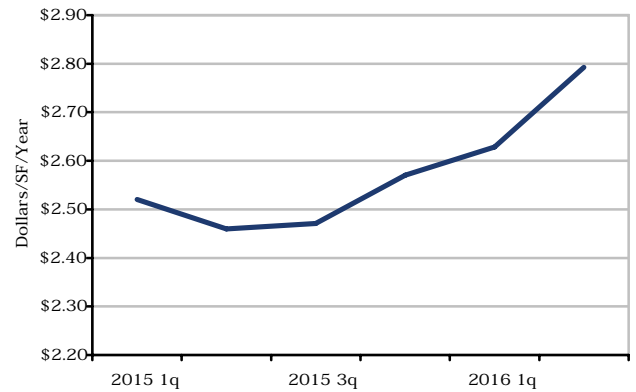
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	458	11,486,171	398,374	3.5%	19,379	0	0	0	0	\$2.79
2016 1q	458	11,486,171	417,753	3.6%	(10,686)	0	0	0	0	\$2.63
2015 4q	458	11,486,171	407,067	3.5%	(41,251)	0	0	0	0	\$2.57
2015 3q	458	11,486,171	365,816	3.2%	134,048	0	0	0	0	\$2.47
2015 2q	459	11,510,664	524,357	4.6%	45,806	0	0	0	0	\$2.46
2015 1q	459	11,510,664	570,163	5.0%	(19,784)	0	0	0	0	\$2.52
2014 4q	459	11,510,664	550,379	4.8%	13,600	0	0	0	0	\$2.56
2014 3q	459	11,510,664	563,979	4.9%	(48,657)	0	0	0	0	\$2.65
2014 2q	459	11,510,664	515,322	4.5%	(40,070)	0	0	0	0	\$2.60
2014 1q	459	11,510,664	475,252	4.1%	109,007	0	0	0	0	\$2.65
2013 4q	459	11,510,664	584,259	5.1%	(73,960)	0	0	0	0	\$2.73
2013 3q	459	11,510,664	510,299	4.4%	10,240	0	0	0	0	\$2.69
2013 2q	459	11,510,664	520,539	4.5%	63,343	0	0	0	0	\$2.69
2013 1q	459	11,510,664	583,882	5.1%	392	0	0	0	0	\$2.75
2012 4q	459	11,510,664	584,274	5.1%	(1,886)	0	0	0	0	\$2.81
2012 3q	459	11,510,664	582,388	5.1%	(1,065)	0	0	0	0	\$2.82

Source: CoStar Property®

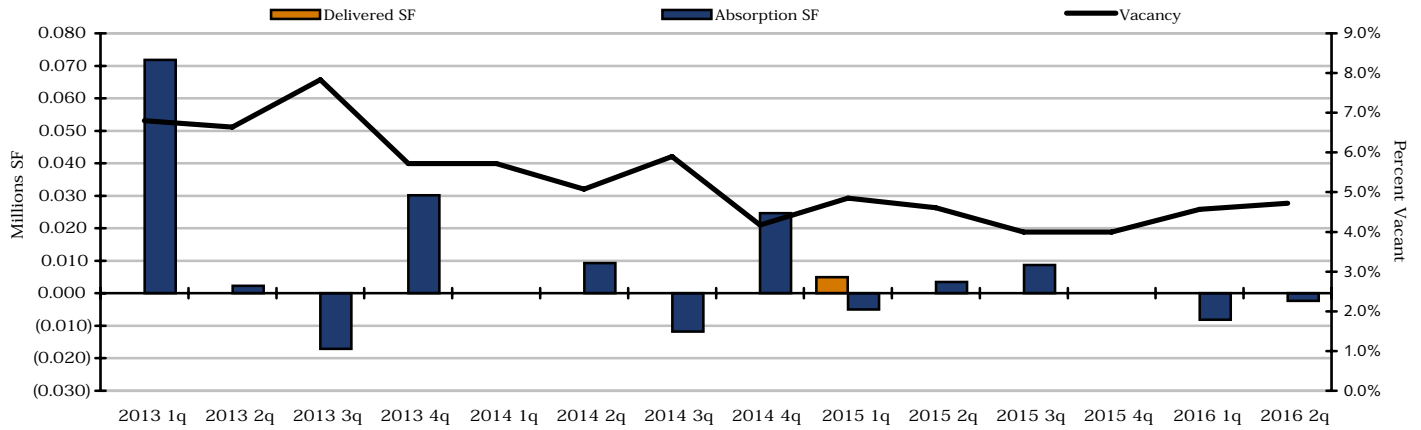
Jacksonville Industrial Market



Mandarin Market MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

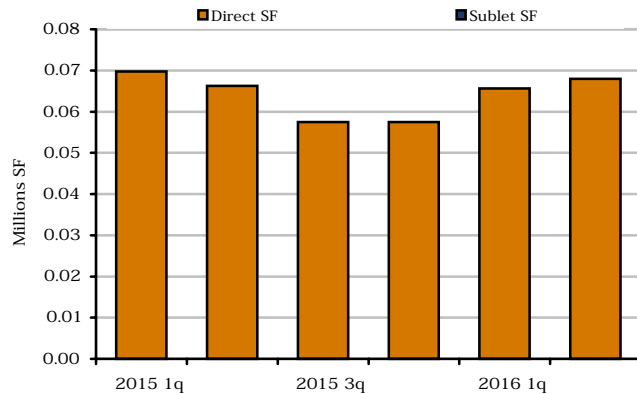
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

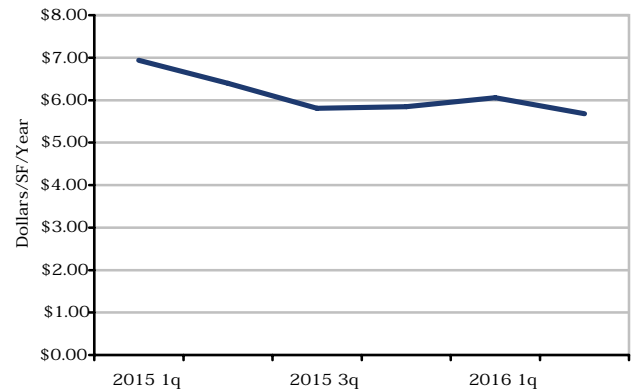
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	104	1,437,717	67,939	4.7%	(2,300)	0	0	0	0	\$5.68
2016 1q	104	1,437,717	65,639	4.6%	(8,139)	0	0	0	0	\$6.06
2015 4q	104	1,437,717	57,500	4.0%	0	0	0	0	0	\$5.85
2015 3q	104	1,437,717	57,500	4.0%	8,720	0	0	0	0	\$5.81
2015 2q	104	1,437,717	66,220	4.6%	3,520	0	0	0	0	\$6.40
2015 1q	104	1,437,717	69,740	4.9%	(4,940)	1	5,000	0	0	\$6.94
2014 4q	103	1,432,717	59,800	4.2%	24,700	0	0	1	5,000	\$6.56
2014 3q	103	1,432,717	84,500	5.9%	(11,800)	0	0	1	5,000	\$7.17
2014 2q	103	1,432,717	72,700	5.1%	9,300	0	0	0	0	\$6.49
2014 1q	103	1,432,717	82,000	5.7%	0	0	0	0	0	\$5.64
2013 4q	103	1,432,717	82,000	5.7%	30,200	0	0	0	0	\$5.39
2013 3q	103	1,432,717	112,200	7.8%	(17,100)	0	0	0	0	\$5.53
2013 2q	103	1,432,717	95,100	6.6%	2,300	0	0	0	0	\$5.49
2013 1q	103	1,432,717	97,400	6.8%	71,816	0	0	0	0	\$5.36
2012 4q	103	1,432,717	169,216	11.8%	9,604	0	0	0	0	\$5.40
2012 3q	103	1,432,717	178,820	12.5%	14,300	0	0	0	0	\$5.31

Source: CoStar Property®



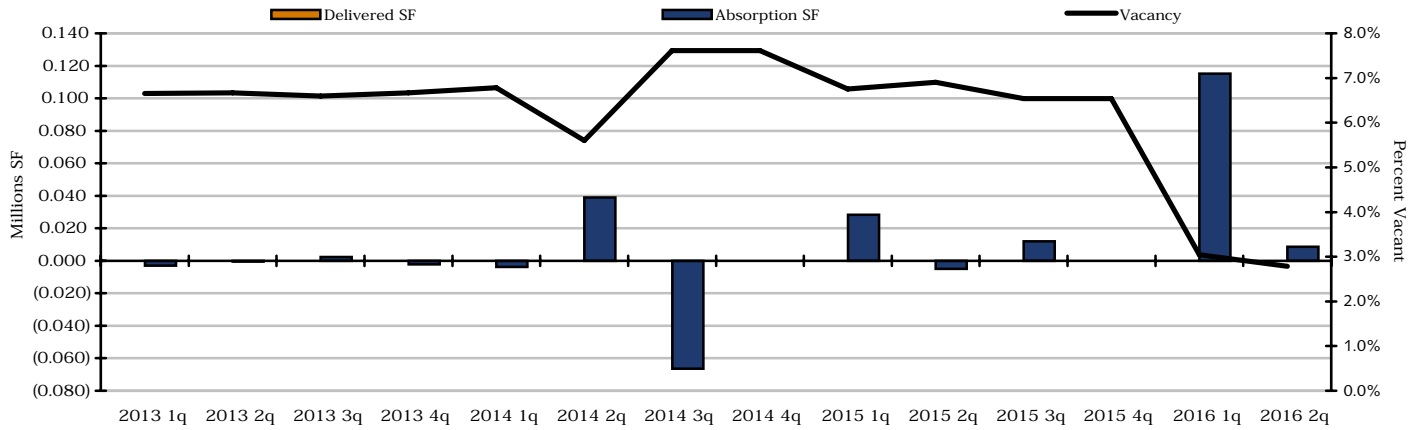
Jacksonville Industrial Market

Nassau County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

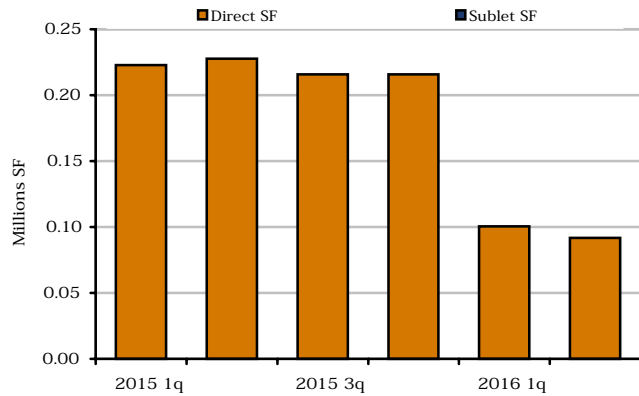
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

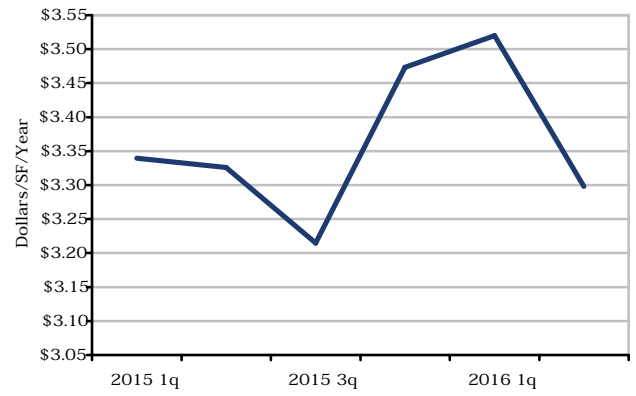
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	110	3,298,650	91,867	2.8%	8,656	0	0	0	0	\$3.30
2016 1q	110	3,298,650	100,523	3.0%	115,200	0	0	0	0	\$3.52
2015 4q	110	3,298,650	215,723	6.5%	0	0	0	0	0	\$3.47
2015 3q	110	3,298,650	215,723	6.5%	12,000	0	0	0	0	\$3.21
2015 2q	110	3,298,650	227,723	6.9%	(5,000)	0	0	0	0	\$3.33
2015 1q	110	3,298,650	222,723	6.8%	28,377	0	0	0	0	\$3.34
2014 4q	110	3,298,650	251,100	7.6%	0	0	0	0	0	\$3.33
2014 3q	110	3,298,650	251,100	7.6%	(66,400)	0	0	0	0	\$3.33
2014 2q	110	3,298,650	184,700	5.6%	38,999	0	0	0	0	\$3.25
2014 1q	110	3,298,650	223,699	6.8%	(3,865)	0	0	0	0	\$3.34
2013 4q	110	3,298,650	219,834	6.7%	(2,200)	0	0	0	0	\$3.26
2013 3q	110	3,298,650	217,634	6.6%	2,300	0	0	0	0	\$3.25
2013 2q	110	3,298,650	219,934	6.7%	(500)	0	0	0	0	\$3.25
2013 1q	110	3,298,650	219,434	6.7%	(2,900)	0	0	0	0	\$3.26
2012 4q	110	3,298,650	216,534	6.6%	(13,200)	0	0	0	0	\$3.26
2012 3q	110	3,298,650	203,334	6.2%	0	0	0	0	0	\$3.30

Source: CoStar Property®

Jacksonville Industrial Market

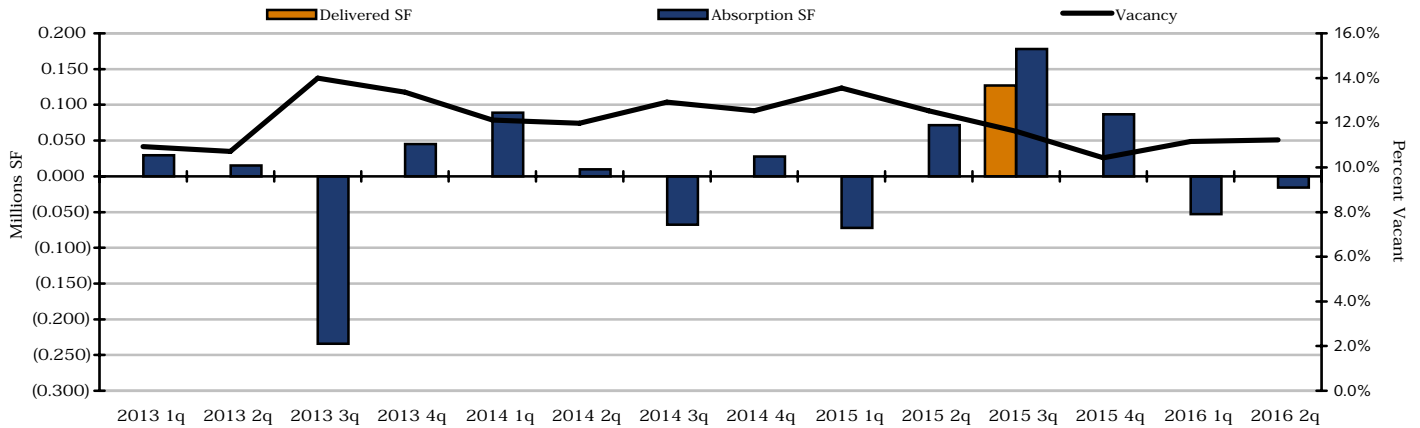


North Side Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

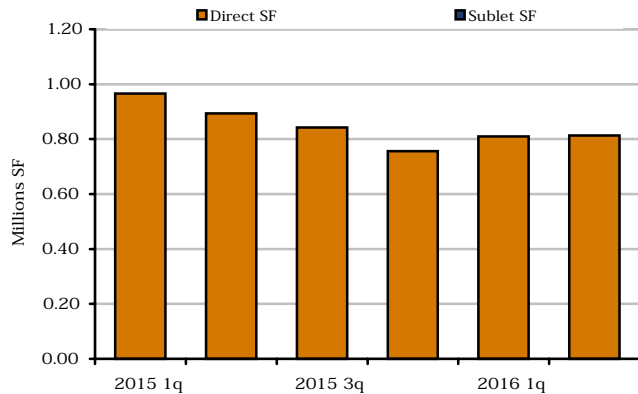
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

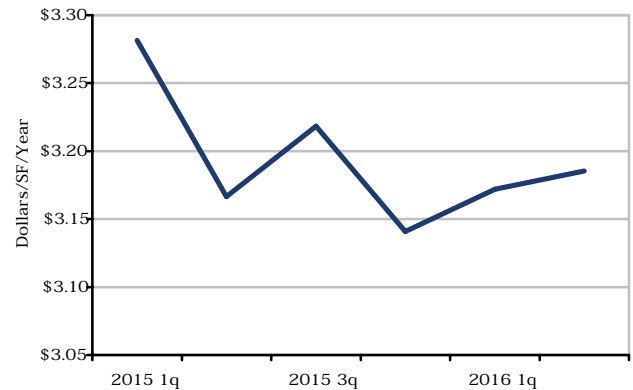
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	116	7,243,077	813,270	11.2%	(15,850)	0	0	0	0	\$3.19
2016 1q	117	7,255,077	809,420	11.2%	(53,073)	0	0	0	0	\$3.17
2015 4q	117	7,255,077	756,347	10.4%	86,550	0	0	0	0	\$3.14
2015 3q	117	7,255,077	842,897	11.6%	177,951	1	126,948	0	0	\$3.22
2015 2q	116	7,128,129	893,900	12.5%	71,550	0	0	1	126,948	\$3.17
2015 1q	116	7,128,129	965,450	13.5%	(71,997)	0	0	1	126,948	\$3.28
2014 4q	116	7,128,129	893,453	12.5%	27,848	0	0	0	0	\$3.20
2014 3q	116	7,128,129	921,301	12.9%	(67,520)	0	0	0	0	\$3.19
2014 2q	116	7,128,129	853,781	12.0%	9,650	0	0	0	0	\$3.20
2014 1q	116	7,128,129	863,431	12.1%	89,160	0	0	0	0	\$3.22
2013 4q	116	7,128,129	952,591	13.4%	45,150	0	0	0	0	\$3.23
2013 3q	116	7,128,129	997,741	14.0%	(234,166)	0	0	0	0	\$3.23
2013 2q	116	7,128,129	763,575	10.7%	15,300	0	0	0	0	\$3.31
2013 1q	116	7,128,129	778,875	10.9%	29,400	0	0	0	0	\$3.01
2012 4q	116	7,128,129	808,275	11.3%	151,512	0	0	0	0	\$3.00
2012 3q	116	7,128,129	959,787	13.5%	(4,556)	0	0	0	0	\$3.19

Source: CoStar Property®



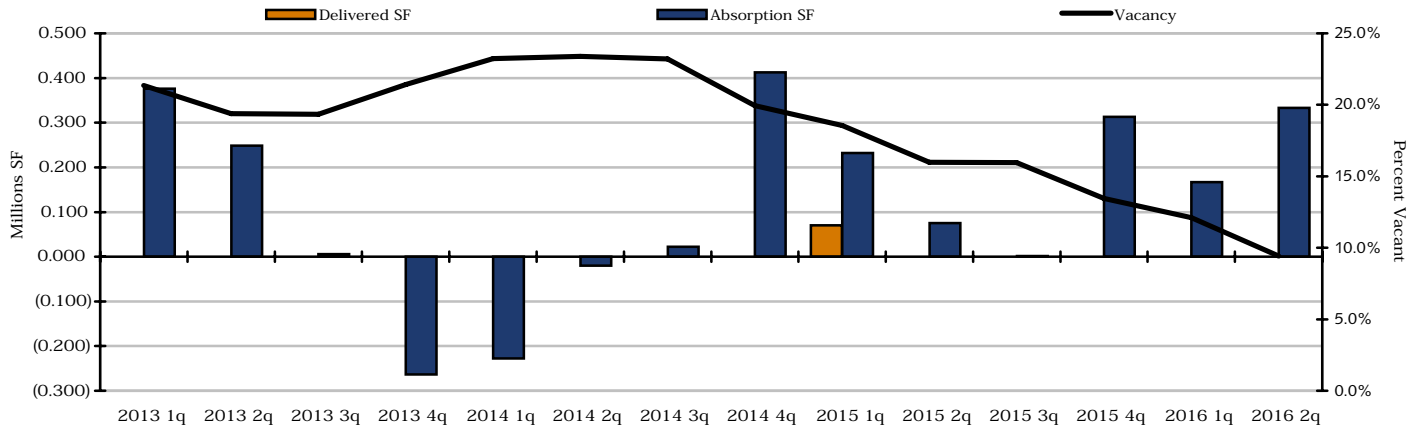
Jacksonville Industrial Market

Ocean Way Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

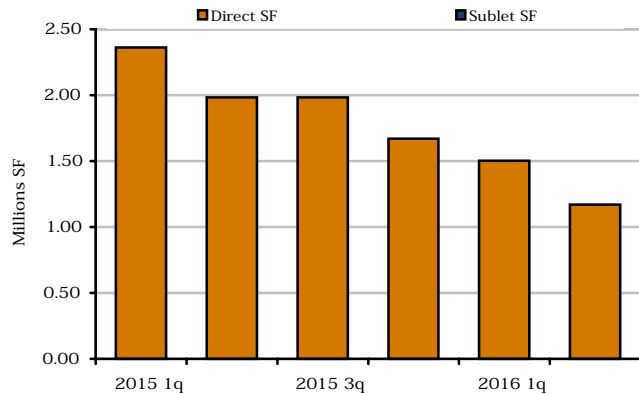
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

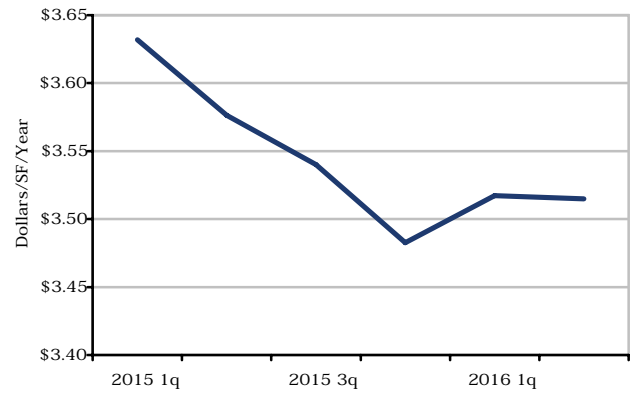
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	124	12,418,010	1,169,470	9.4%	333,144	0	0	0	0	\$3.51
2016 1q	124	12,418,010	1,502,614	12.1%	166,847	0	0	0	0	\$3.52
2015 4q	124	12,418,010	1,669,461	13.4%	313,034	0	0	0	0	\$3.48
2015 3q	124	12,418,010	1,982,495	16.0%	1,531	0	0	0	0	\$3.54
2015 2q	124	12,418,010	1,984,026	16.0%	75,168	0	0	0	0	\$3.58
2015 1q	126	12,720,339	2,361,523	18.6%	232,331	1	70,500	0	0	\$3.63
2014 4q	125	12,649,839	2,523,354	19.9%	412,493	0	0	1	70,500	\$3.40
2014 3q	125	12,649,839	2,935,847	23.2%	22,438	0	0	1	70,500	\$3.41
2014 2q	125	12,649,839	2,958,285	23.4%	(20,038)	0	0	0	0	\$3.38
2014 1q	125	12,649,839	2,938,247	23.2%	(227,782)	0	0	0	0	\$3.38
2013 4q	125	12,649,839	2,710,465	21.4%	(263,590)	0	0	0	0	\$3.47
2013 3q	125	12,649,839	2,446,875	19.3%	5,603	0	0	0	0	\$3.45
2013 2q	125	12,649,839	2,452,478	19.4%	248,430	0	0	0	0	\$3.44
2013 1q	125	12,649,839	2,700,908	21.4%	375,900	0	0	0	0	\$3.39
2012 4q	125	12,649,839	3,076,808	24.3%	(9,125)	0	0	0	0	\$3.21
2012 3q	125	12,649,839	3,067,683	24.3%	(1,800)	0	0	0	0	\$3.18

Source: CoStar Property®

Jacksonville Industrial Market

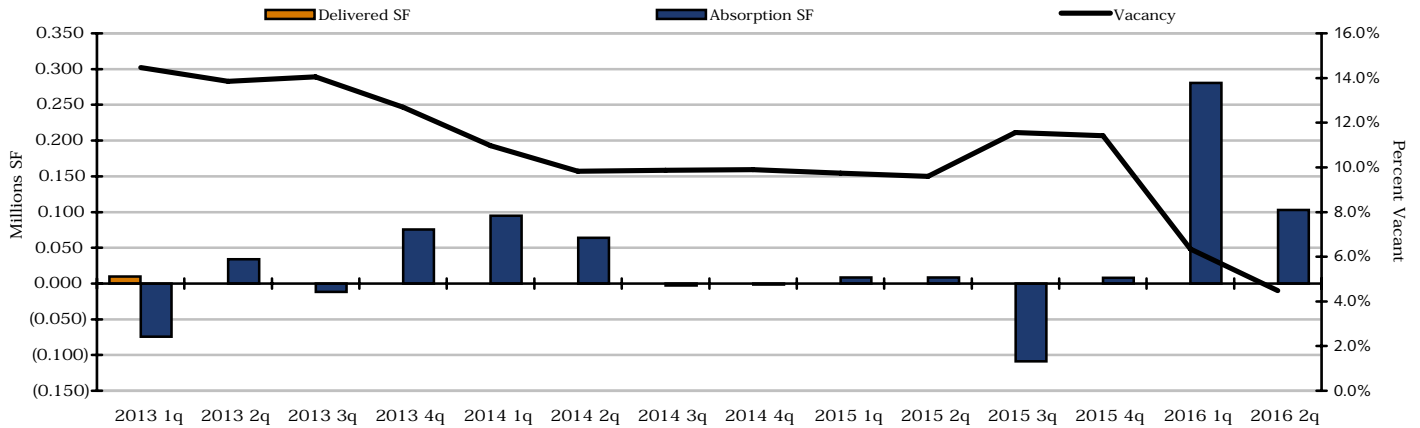


Orange Park / Clay Cnty Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

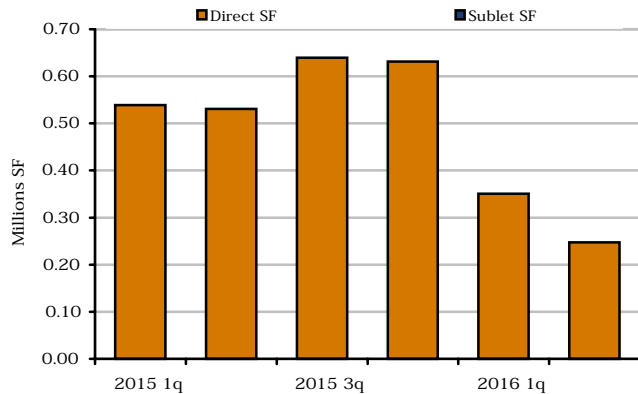
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

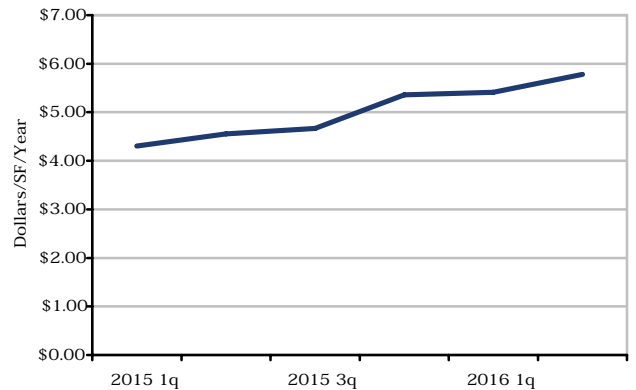
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	212	5,531,449	247,683	4.5%	102,986	0	0	0	0	\$5.78
2016 1q	212	5,531,449	350,669	6.3%	280,555	0	0	0	0	\$5.41
2015 4q	212	5,531,449	631,224	11.4%	8,150	0	0	0	0	\$5.36
2015 3q	212	5,531,449	639,374	11.6%	(108,878)	0	0	0	0	\$4.67
2015 2q	212	5,531,449	530,496	9.6%	8,626	0	0	0	0	\$4.55
2015 1q	212	5,531,449	539,122	9.7%	8,430	0	0	0	0	\$4.30
2014 4q	212	5,531,449	547,552	9.9%	(1,468)	0	0	0	0	\$4.30
2014 3q	212	5,531,449	546,084	9.9%	(2,770)	0	0	0	0	\$4.33
2014 2q	212	5,531,449	543,314	9.8%	63,839	0	0	0	0	\$4.26
2014 1q	212	5,531,449	607,153	11.0%	94,678	0	0	0	0	\$4.40
2013 4q	212	5,531,449	701,831	12.7%	75,785	0	0	0	0	\$4.36
2013 3q	212	5,531,449	777,616	14.1%	(11,554)	0	0	0	0	\$4.40
2013 2q	212	5,531,449	766,062	13.8%	33,980	0	0	0	0	\$4.37
2013 1q	212	5,531,449	800,042	14.5%	(74,290)	1	9,600	0	0	\$4.39
2012 4q	211	5,521,849	716,152	13.0%	57,550	1	9,600	1	9,600	\$4.37
2012 3q	210	5,512,249	764,102	13.9%	(22,930)	0	0	2	19,200	\$4.91

Source: CoStar Property®

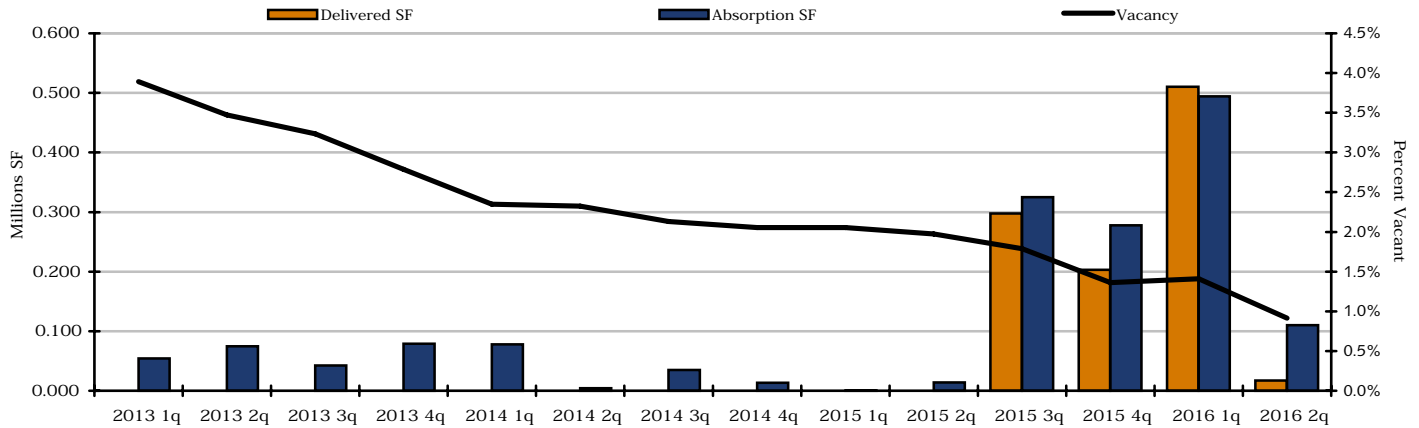


Jacksonville Industrial Market

Riverside Market MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

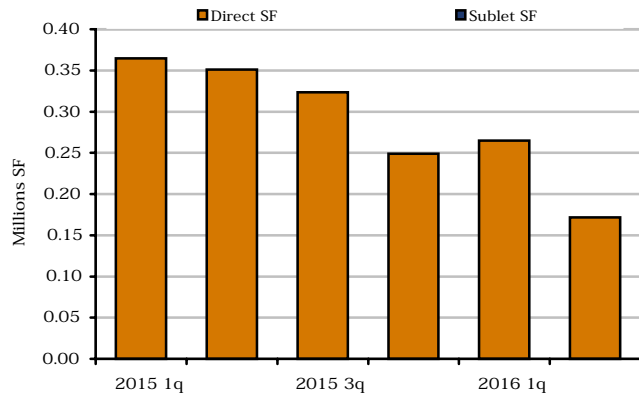
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

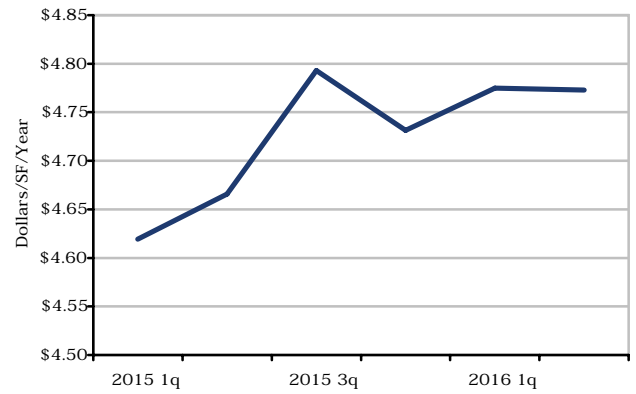
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	731	18,795,209	171,659	0.9%	110,300	1	17,025	1	50,000	\$4.77
2016 1q	730	18,778,184	264,934	1.4%	494,270	1	510,433	2	67,025	\$4.77
2015 4q	729	18,267,751	248,771	1.4%	277,656	1	203,016	2	527,458	\$4.73
2015 3q	728	18,064,735	323,411	1.8%	325,162	1	297,579	2	713,449	\$4.79
2015 2q	727	17,767,156	350,994	2.0%	13,722	0	0	3	1,011,028	\$4.67
2015 1q	727	17,767,156	364,716	2.1%	531	0	0	3	1,011,028	\$4.62
2014 4q	727	17,767,156	365,247	2.1%	13,236	0	0	2	808,012	\$4.52
2014 3q	727	17,767,156	378,483	2.1%	34,685	0	0	2	808,012	\$4.26
2014 2q	727	17,767,156	413,168	2.3%	4,124	0	0	1	297,579	\$4.17
2014 1q	727	17,767,156	417,292	2.3%	77,989	0	0	1	297,579	\$3.99
2013 4q	727	17,767,156	495,281	2.8%	79,197	0	0	0	0	\$3.73
2013 3q	727	17,767,156	574,478	3.2%	42,695	0	0	0	0	\$3.90
2013 2q	727	17,767,156	617,173	3.5%	74,504	0	0	0	0	\$3.84
2013 1q	727	17,767,156	691,677	3.9%	54,108	0	0	0	0	\$3.76
2012 4q	727	17,767,156	745,785	4.2%	34,098	0	0	0	0	\$3.69
2012 3q	727	17,767,156	779,883	4.4%	40,103	0	0	0	0	\$3.59

Source: CoStar Property®

Jacksonville Industrial Market

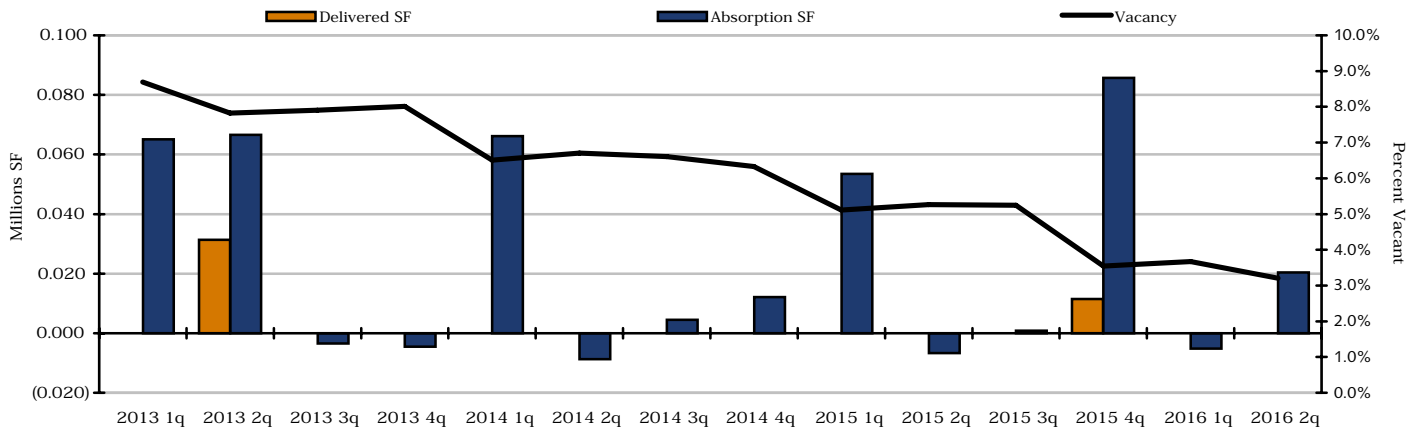


San Marco Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

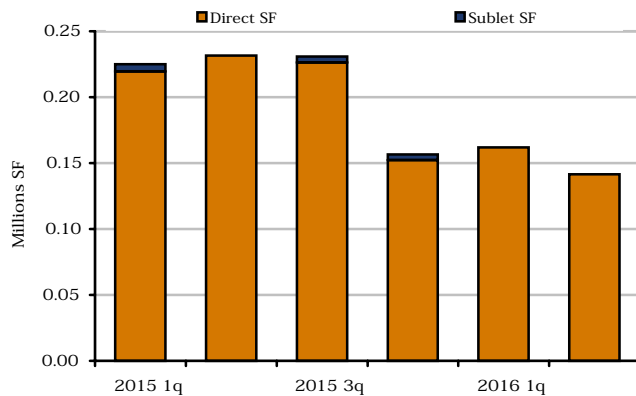
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

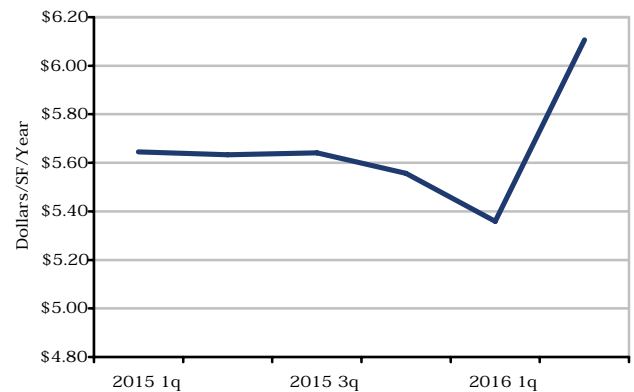
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	250	4,412,341	141,402	3.2%	20,391	0	0	0	0	\$6.11
2016 1q	250	4,412,341	161,793	3.7%	(5,217)	0	0	0	0	\$5.36
2015 4q	250	4,412,341	156,576	3.5%	85,662	1	11,462	0	0	\$5.56
2015 3q	249	4,400,879	230,776	5.2%	884	0	0	1	11,462	\$5.64
2015 2q	249	4,400,879	231,660	5.3%	(6,703)	0	0	1	11,462	\$5.63
2015 1q	249	4,400,879	224,957	5.1%	53,452	0	0	0	0	\$5.64
2014 4q	249	4,400,879	278,409	6.3%	12,170	0	0	0	0	\$5.38
2014 3q	249	4,400,879	290,579	6.6%	4,461	0	0	0	0	\$5.02
2014 2q	249	4,400,879	295,040	6.7%	(8,746)	0	0	0	0	\$5.00
2014 1q	249	4,400,879	286,294	6.5%	66,204	0	0	0	0	\$4.83
2013 4q	249	4,400,879	352,498	8.0%	(4,560)	0	0	0	0	\$4.69
2013 3q	249	4,400,879	347,938	7.9%	(3,500)	0	0	0	0	\$4.53
2013 2q	249	4,400,879	344,438	7.8%	66,615	1	31,346	0	0	\$4.48
2013 1q	248	4,369,533	379,707	8.7%	65,069	0	0	1	31,346	\$4.58
2012 4q	248	4,369,533	444,776	10.2%	24,735	0	0	1	31,346	\$4.57
2012 3q	248	4,369,533	469,511	10.7%	4,053	0	0	1	31,346	\$4.61

Source: CoStar Property®



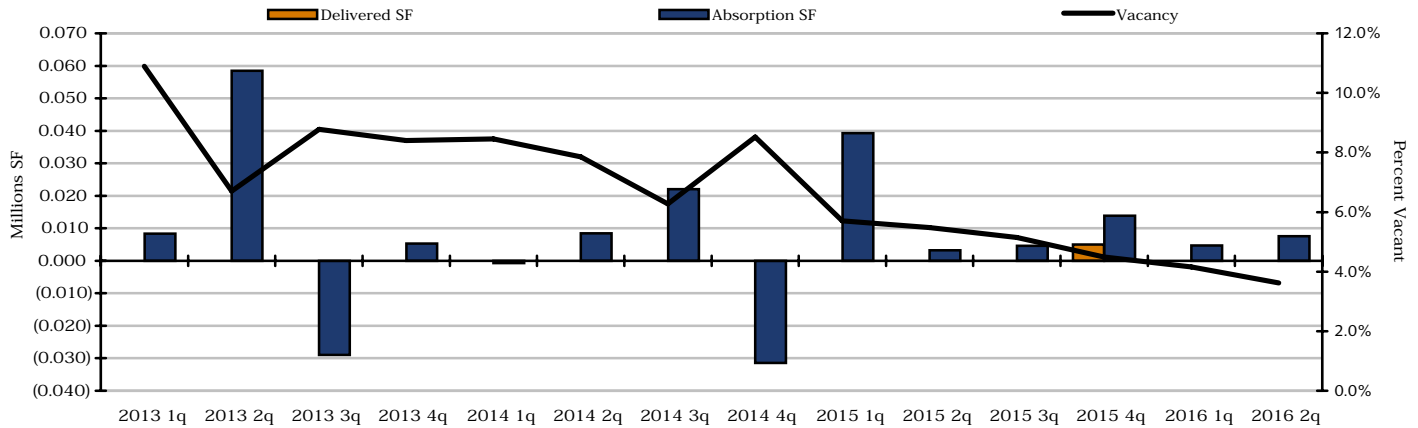
Jacksonville Industrial Market

South Side Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

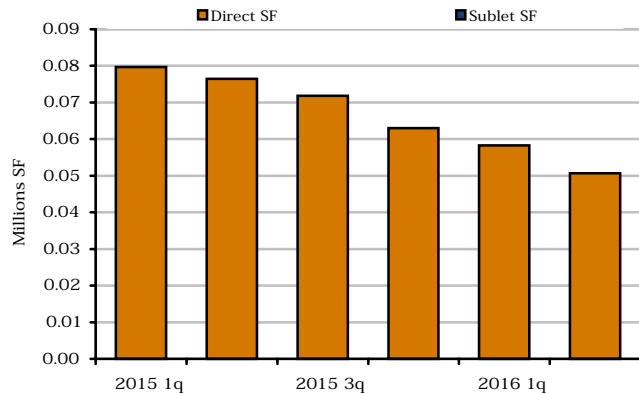
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

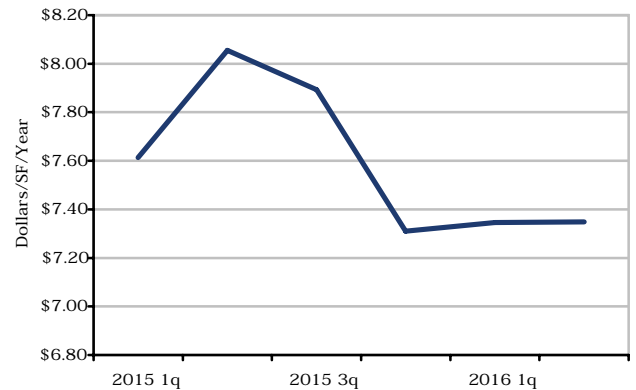
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	120	1,401,264	50,708	3.6%	7,592	0	0	0	0	\$7.35
2016 1q	120	1,401,264	58,300	4.2%	4,672	0	0	0	0	\$7.35
2015 4q	120	1,401,264	62,972	4.5%	13,890	1	5,000	0	0	\$7.31
2015 3q	119	1,396,264	71,862	5.1%	4,600	0	0	1	5,000	\$7.89
2015 2q	119	1,396,264	76,462	5.5%	3,250	0	0	1	5,000	\$8.06
2015 1q	119	1,396,264	79,712	5.7%	39,297	0	0	1	5,000	\$7.61
2014 4q	119	1,396,264	119,009	8.5%	(31,421)	0	0	0	0	\$7.55
2014 3q	119	1,396,264	87,588	6.3%	22,030	0	0	0	0	\$7.81
2014 2q	119	1,396,264	109,618	7.9%	8,418	0	0	0	0	\$7.85
2014 1q	119	1,396,264	118,036	8.5%	(754)	0	0	0	0	\$7.32
2013 4q	119	1,396,264	117,282	8.4%	5,320	0	0	0	0	\$7.71
2013 3q	119	1,396,264	122,602	8.8%	(29,019)	0	0	0	0	\$7.26
2013 2q	119	1,396,264	93,583	6.7%	58,466	0	0	0	0	\$7.66
2013 1q	119	1,396,264	152,049	10.9%	8,400	0	0	0	0	\$7.86
2012 4q	119	1,396,264	160,449	11.5%	(8,962)	0	0	0	0	\$7.38
2012 3q	119	1,396,264	151,487	10.8%	4,436	0	0	0	0	\$7.02

Source: CoStar Property®

Jacksonville Industrial Market

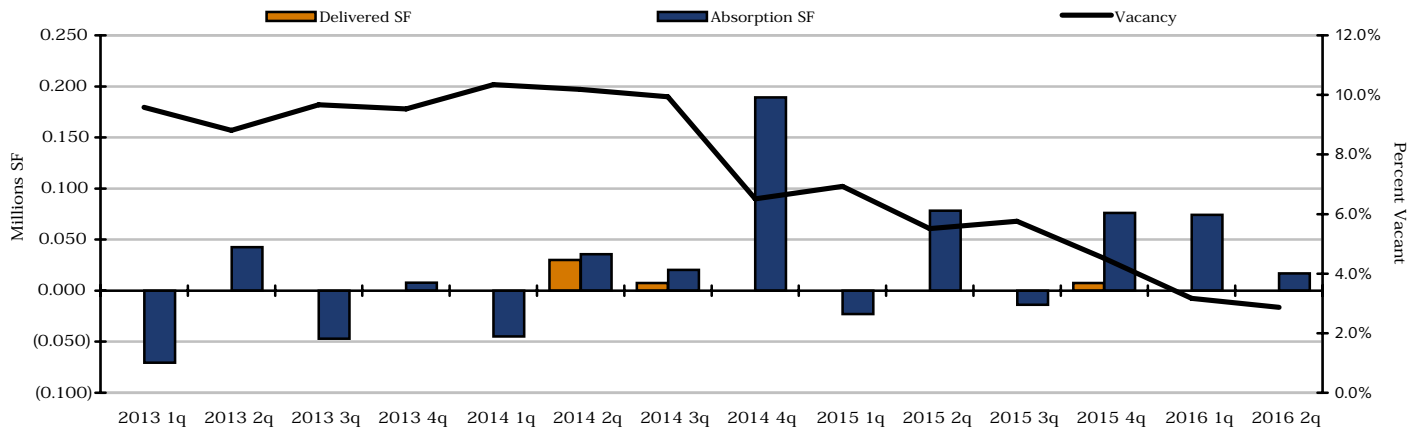


St Johns Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

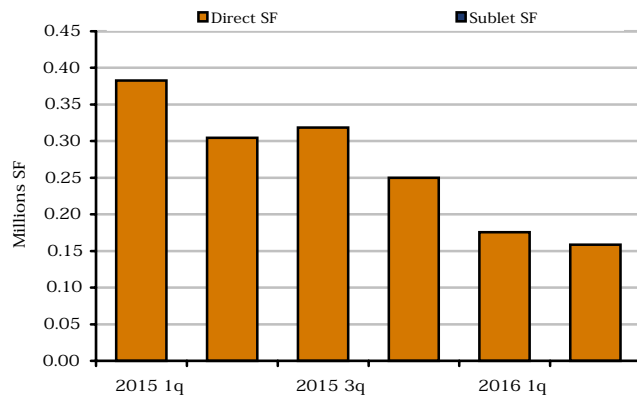
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

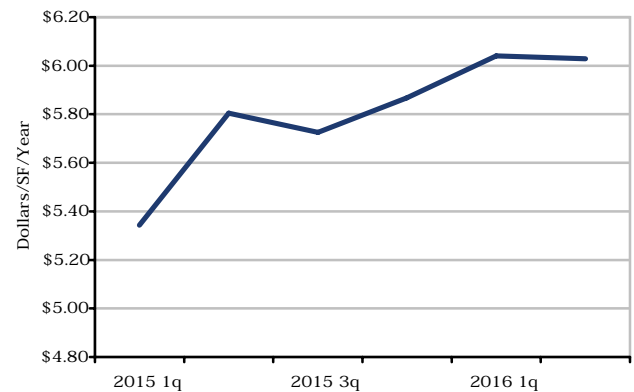
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	333	5,533,765	158,691	2.9%	16,956	0	0	0	0	\$6.03
2016 1q	333	5,533,765	175,647	3.2%	74,300	0	0	0	0	\$6.04
2015 4q	333	5,533,765	249,947	4.5%	76,120	1	7,620	0	0	\$5.87
2015 3q	332	5,526,145	318,447	5.8%	(13,726)	0	0	1	7,620	\$5.73
2015 2q	332	5,526,145	304,721	5.5%	78,205	0	0	1	7,620	\$5.80
2015 1q	332	5,526,145	382,926	6.9%	(22,989)	0	0	0	0	\$5.34
2014 4q	332	5,526,145	359,937	6.5%	189,322	0	0	0	0	\$5.14
2014 3q	332	5,526,145	549,259	9.9%	20,304	1	7,620	0	0	\$5.17
2014 2q	331	5,518,525	561,943	10.2%	35,798	1	30,000	1	7,620	\$5.19
2014 1q	330	5,488,525	567,741	10.3%	(44,776)	0	0	2	37,620	\$5.17
2013 4q	330	5,488,525	522,965	9.5%	7,814	0	0	1	30,000	\$5.40
2013 3q	330	5,488,525	530,779	9.7%	(47,185)	0	0	0	0	\$5.33
2013 2q	330	5,488,525	483,594	8.8%	42,580	0	0	0	0	\$5.32
2013 1q	330	5,488,525	526,174	9.6%	(70,420)	0	0	0	0	\$4.99
2012 4q	330	5,488,525	455,754	8.3%	29,590	0	0	0	0	\$5.05
2012 3q	330	5,488,525	485,344	8.8%	65,320	0	0	0	0	\$5.08

Source: CoStar Property®



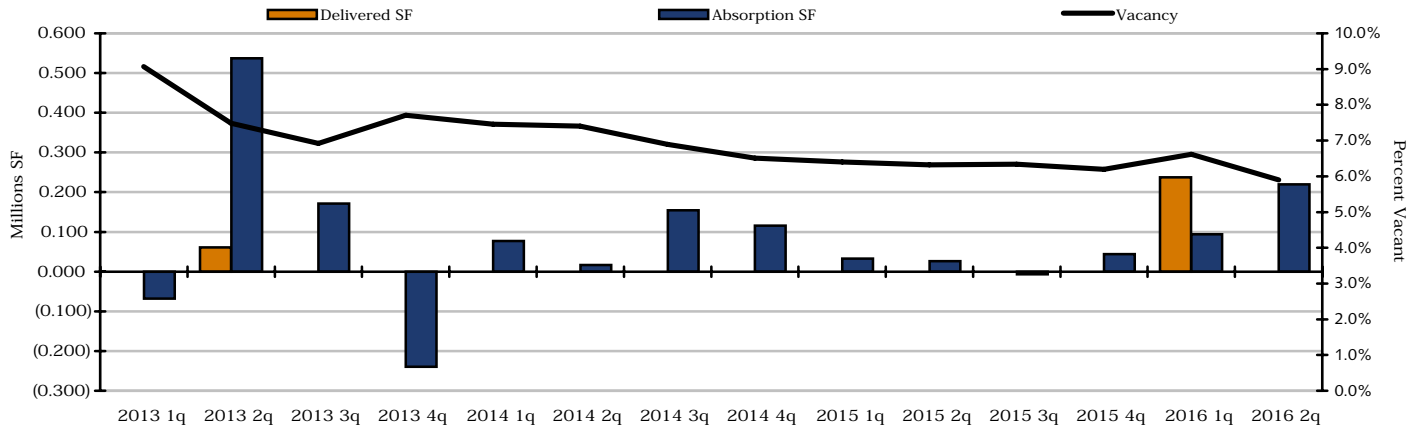
Jacksonville Industrial Market

West Side Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

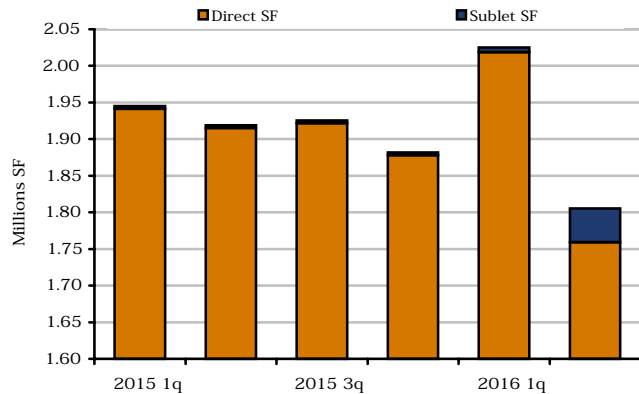
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

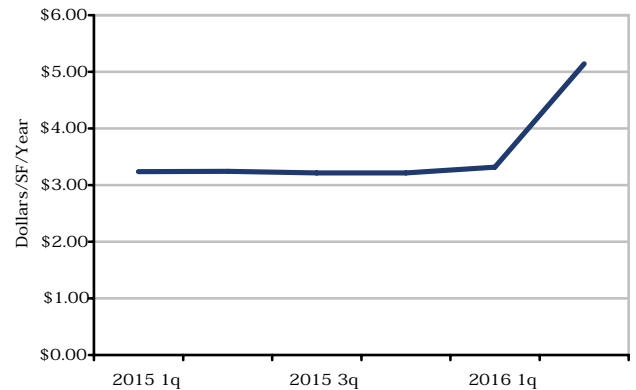
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 2q	535	30,611,304	1,805,145	5.9%	219,753	0	0	1	23,201	\$5.14
2016 1q	535	30,611,304	2,024,898	6.6%	94,292	1	237,319	1	23,201	\$3.32
2015 4q	534	30,373,985	1,881,871	6.2%	43,727	0	0	1	237,319	\$3.22
2015 3q	534	30,373,985	1,925,598	6.3%	(6,514)	0	0	1	237,319	\$3.21
2015 2q	534	30,373,985	1,919,084	6.3%	26,189	0	0	1	237,319	\$3.25
2015 1q	534	30,373,985	1,945,273	6.4%	32,837	0	0	0	0	\$3.24
2014 4q	534	30,373,985	1,978,110	6.5%	115,606	0	0	0	0	\$3.24
2014 3q	534	30,373,985	2,093,716	6.9%	154,481	0	0	0	0	\$3.19
2014 2q	534	30,373,985	2,248,197	7.4%	16,371	0	0	0	0	\$3.17
2014 1q	534	30,373,985	2,264,568	7.5%	76,766	0	0	0	0	\$3.18
2013 4q	534	30,373,985	2,341,334	7.7%	(239,866)	0	0	0	0	\$3.10
2013 3q	534	30,373,985	2,101,468	6.9%	171,511	0	0	0	0	\$3.06
2013 2q	534	30,373,985	2,272,979	7.5%	537,076	1	60,824	0	0	\$3.18
2013 1q	533	30,313,161	2,749,231	9.1%	(68,223)	0	0	1	60,824	\$3.23
2012 4q	533	30,313,161	2,681,008	8.8%	164,187	1	22,608	1	60,824	\$3.25
2012 3q	532	30,290,553	2,822,587	9.3%	217,374	0	0	2	83,432	\$3.20

Source: CoStar Property®