

# CoStar Industrial Statistics

Third Quarter 2017

## Broward County Industrial Market



**CoStar**<sup>TM</sup>  
The knowledge market

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## Methodology

The CoStar Industrial Statistics 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 global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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**CoStar Group, Inc.**

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## 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.

## Broward County's Vacancy Decreases to 3.7%

### Net Absorption Positive 230,974 SF in the Quarter

The Broward County Industrial market ended the third quarter 2017 with a vacancy rate of 3.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 230,974 square feet in the third quarter. Vacant sublease space decreased in the quarter, ending the quarter at 333,616 square feet. Rental rates ended the third quarter at \$9.76, an increase over the previous quarter. A total of one building delivered to the market in the quarter totaling 166,370 square feet, with 1,609,951 square feet still under construction at the end of the quarter.

#### Absorption

Net absorption for the overall Broward County Industrial market was positive 230,974 square feet in the third quarter 2017. That compares to positive 224,166 square feet in the second quarter 2017, positive 424,086 square feet in the first quarter 2017, and positive 1,041,169 square feet in the fourth quarter 2016.

Tenants moving out of large blocks of space in 2017 include: Floor & Decor Outlets-America moving out of (323,764) square feet at Countyline Business Center, Fedex Shipping Center moving out of (191,280) square feet at Federal Express, and Fanatics Authentic moving out of (178,791) square feet at 251 International Parkway.

Tenants moving into large blocks of space in 2017 include: Breakthru Beverage Florida moving into 182,943 square feet at Coaster Building, VPX Sports moving into 67,816 square feet at 1951 N Commerce Parkway, and SALT International moving into 55,454 square feet at Seneca Industrial Park – Building D.

The Flex building market recorded net absorption of nega-

tive (40,242) square feet in the third quarter 2017, compared to positive 139,975 square feet in the second quarter 2017, negative (103,542) in the first quarter 2017, and negative (69,166) in the fourth quarter 2016.

The Warehouse building market recorded net absorption of positive 271,216 square feet in the third quarter 2017 compared to positive 84,191 square feet in the second quarter 2017, positive 527,628 in the first quarter 2017, and positive 1,110,335 in the fourth quarter 2016.

#### Vacancy

The Industrial vacancy rate in the Broward County market area decreased to 3.7% at the end of the third quarter 2017. The vacancy rate was 3.8% at the end of the second quarter 2017, 4.0% at the end of the first quarter 2017, and 4.2% at the end of the fourth quarter 2016.

Flex projects reported a vacancy rate of 4.9% at the end of the third quarter 2017, 4.7% at the end of the second quarter 2017, 5.4% at the end of the first quarter 2017, and 4.5% at the end of the fourth quarter 2016.

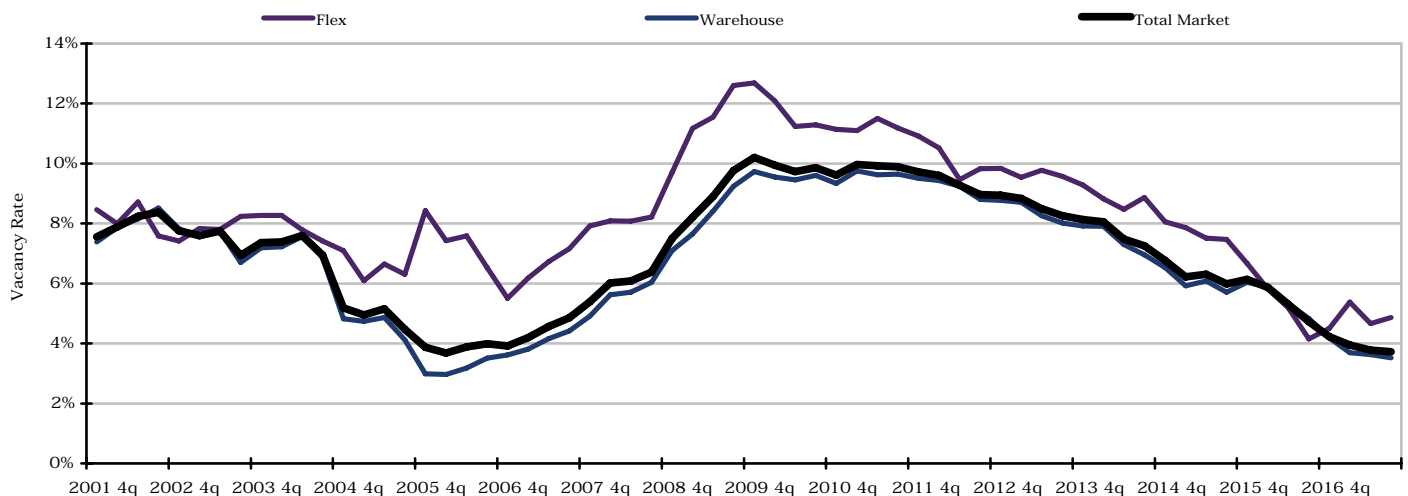
Warehouse projects reported a vacancy rate of 3.5% at the end of the third quarter 2017, 3.6% at the end of second quarter 2017, 3.7% at the end of the first quarter 2017, and 4.2% at the end of the fourth quarter 2016.

#### Sublease Vacancy

The amount of vacant sublease space in the Broward County market decreased to 333,616 square feet by the end of the third quarter 2017, from 346,150 square feet at the end of the second quarter 2017. There was 304,219 square feet vacant

## Vacancy Rates by Building Type

1999-2017



Source: CoStar Property®



# Broward County Industrial Market

Overview

at the end of the first quarter 2017 and 199,265 square feet at the end of the fourth quarter 2016.

Broward County’s Flex projects reported vacant sublease space of 153,847 square feet at the end of third quarter 2017, up from the 143,920 square feet reported at the end of the second quarter 2017. There were 159,674 square feet of sublease space vacant at the end of the first quarter 2017, and 84,031 square feet at the end of the fourth quarter 2016.

Warehouse projects reported decreased vacant sublease space from the second quarter 2017 to the third quarter 2017. Sublease vacancy went from 202,230 square feet to 179,769 square feet during that time. There was 144,545 square feet at the end of the first quarter 2017, and 115,234 square feet at the end of the fourth quarter 2016.

## Rental Rates

The average quoted asking rental rate for available Industrial space was \$9.76 per square foot per year at the end of the third quarter 2017 in the Broward County market area. This represented a 0.9% increase in quoted rental rates from the end of the second quarter 2017, when rents were reported at \$9.67 per square foot.

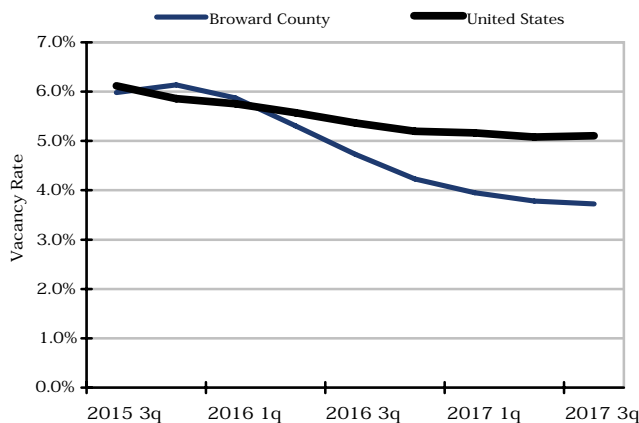
The average quoted rate within the Flex sector was \$13.27 per square foot at the end of the third quarter 2017, while Warehouse rates stood at \$9.23. At the end of the second quarter 2017, Flex rates were \$13.20 per square foot, and Warehouse rates were \$9.12.

## Deliveries and Construction

During the third quarter 2017, one building totaling 166,370 square feet were completed in the Broward County market area. This compares to two buildings totaling 45,000 square feet that were completed in the second quarter 2017, one building totaling 70,948 square feet completed in the first quarter 2017, and 444,744 square feet in nine buildings completed in the fourth quarter 2016.

## U.S. Vacancy Comparison

Past 9 Quarters



Source: CoStar Property®

There were 1,609,951 square feet of Industrial space under construction at the end of the third quarter 2017.

## Inventory

Total Industrial inventory in the Broward County market area amounted to 128,597,498 square feet in 6,250 buildings as of the end of the third quarter 2017. The Flex sector consisted of 19,634,135 square feet in 1,055 projects. The Warehouse sector consisted of 108,963,363 square feet in 5,195 buildings. Within the Industrial market there were 567 owner-occupied buildings accounting for 18,055,625 square feet of Industrial space.

## Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Broward County industrial sales figures fell during the second quarter 2017 in terms of dollar volume compared to the first quarter of 2017.

In the second quarter, 17 industrial transactions closed with a total volume of \$101,205,475. The 17 buildings totaled 953,526 square feet and the average price per square foot equated to \$106.14 per square foot. That compares to 23 transactions totaling \$126,764,520 in the first quarter. The total square footage was 1,058,568 for an average price per square foot of \$119.75.

Total year-to-date industrial building sales activity in 2017 is up compared to the previous year. In the first six months of 2017, the market saw 40 industrial sales transactions with a total volume of \$227,969,995. The price per square foot has averaged \$113.30 this year. In the first six months of 2016, the market posted 33 transactions with a total volume of \$173,701,500. The price per square foot averaged \$93.40.

Cap rates have been lower in 2017, averaging 7.97%, compared to the first six months of last year when they averaged 8.13%.

Reports compiled by: Alfredo Negron and David Spragg, CoStar Research Managers.

# Broward County Industrial Market



Markets

## 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
Central Broward Ind
Coral Springs Ind
Northeast Broward Ind
Outlying Broward Ind
Pompano Beach Ind
Southeast Broward Ind
Southwest Broward Ind
West Sunrise Ind



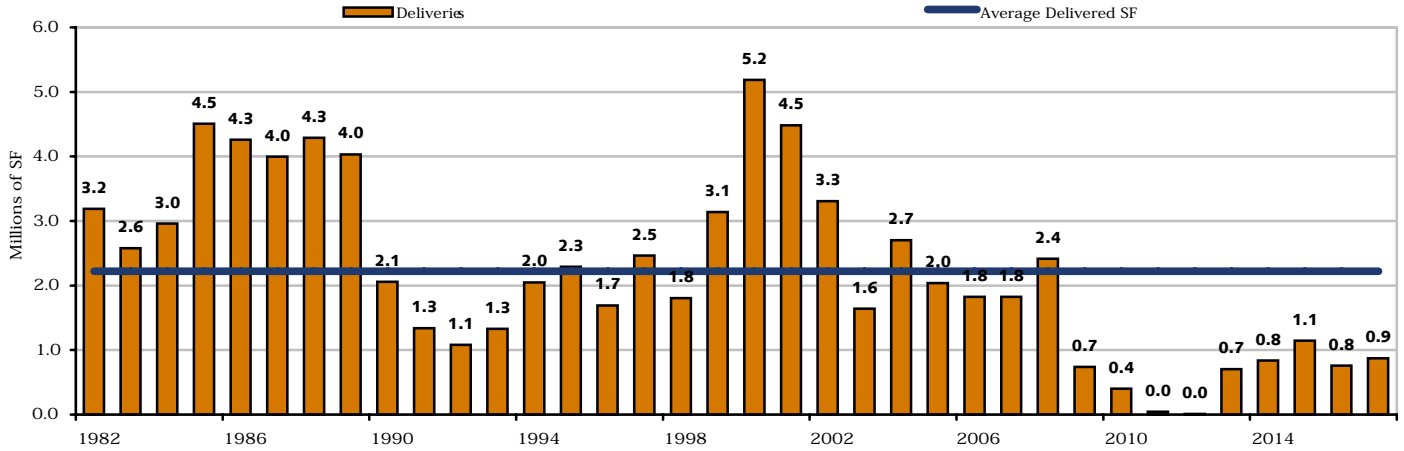


# Broward County Industrial Market

Inventory & development

## Historical Deliveries

1982 - 2017



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

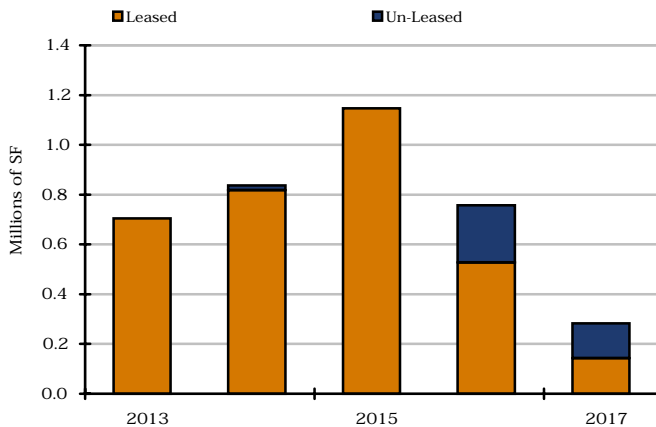
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Southwest Broward Ind	6	649,807	132,821	20.4%	45,535	108,301
Coral Springs Ind	2	363,210	151,050	41.6%	28,537	181,605
Pompano Beach Ind	4	344,997	47,999	13.9%	22,542	86,249
Central Broward Ind	2	194,887	194,887	100.0%	12,663	97,443
Northeast Broward Ind	1	37,050	37,050	100.0%	24,982	37,050
West Sunrise Ind	1	20,000	20,000	100.0%	44,594	20,000
Southeast Broward Ind	0	0	0	0.0%	15,889	0
Outlying Broward Ind	0	0	0	0.0%	14,083	0
<b>Totals</b>	<b>16</b>	<b>1,609,951</b>	<b>583,807</b>	<b>36.3%</b>	<b>20,576</b>	<b>100,622</b>

Source: CoStar Property®

## Recent Deliveries

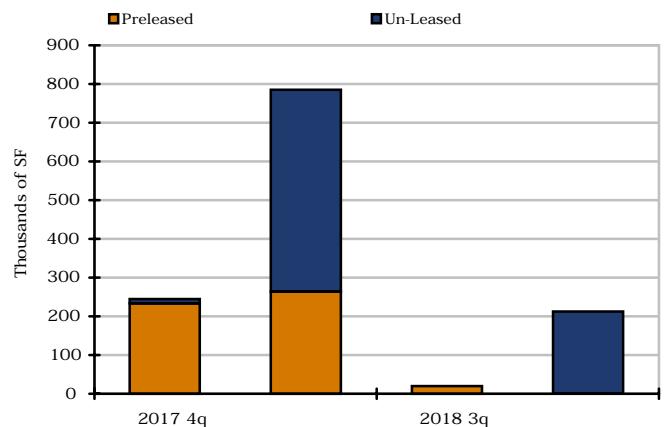
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

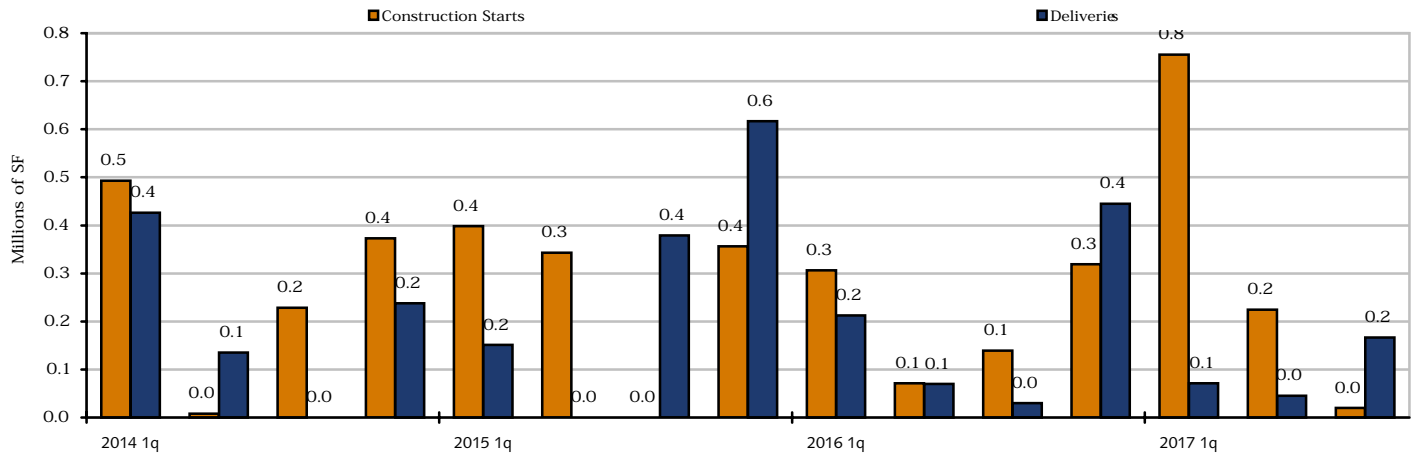
# Broward County Industrial Market



Inventory & development

## 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	45,000	45,000	100.0%	\$0.00	30,000	15,000
50,000 SF - 99,999 SF	1	70,948	0	0.0%	\$15.00	0	70,948
100,000 SF - 249,999 SF	1	166,370	98,158	59.0%	\$8.75	0	166,370
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

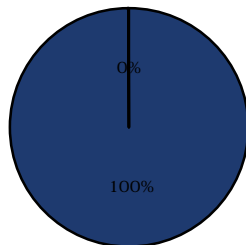
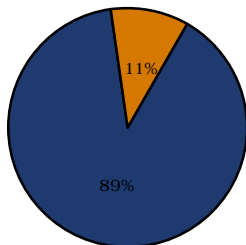
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

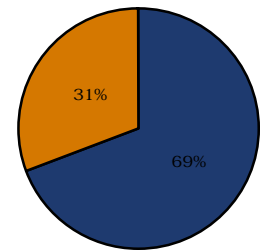
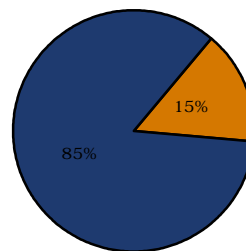
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®



## Select Year-to-Date Deliveries

Based on Project Square Footage

### 1. 2200 W Sunrise Blvd

Submarket: **Central Broward Industrial Market**  
 RBA: **166,370**  
 Occupied: **59%**  
 Quoted Rate: **\$8.75**  
 Grnd Brk Date: **First Quarter 2016**  
 Deliv Date: **Third Quarter 2017**  
 Leasing Co: **CBRE**  
 Developer: **N/A**

### 2. 3150 Executive Way

Submarket: **Southwest Broward Industrial Market**  
 RBA: **70,948**  
 Occupied: **0%**  
 Quoted Rate: **\$15.00**  
 Grnd Brk Date: **Second Quarter 2016**  
 Deliv Date: **First Quarter 2017**  
 Leasing Co: **Colliers International South Florida**  
 Developer: **Sunbeam Properties/Development, Inc**

### 3. 3685 SW 30th Ave

Submarket: **Southeast Broward Industrial Market**  
 RBA: **30,000**  
 Occupied: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Fourth Quarter 2015**  
 Deliv Date: **Second Quarter 2017**  
 Leasing Co: **Quantum Marine**  
 Developer: **Quantum Marine**

# Broward County Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. 20311 Sheridan St</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>224,572</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.25</b>            Grnd Brk Date: <b>Second Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>	<p><b>2. 4030 NW 126th Ave</b></p> <p>Submarket: <b>Coral Springs Industrial Market</b>            RBA: <b>212,160</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$6.25</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Fourth Quarter 2018</b>            Leasing Co: <b>Exeter Property Group</b>            Developer: <b>N/A</b></p>	<p><b>3. 19700 Stirling Rd</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>170,373</b>            Preleased: <b>21%</b>            Quoted Rate: <b>\$6.95</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Berger Commercial Realty Corp/CORFA</b>            Developer: <b>N/A</b></p>
<p><b>4. 5255 Johnson Rd</b></p> <p>Submarket: <b>Coral Springs Industrial Market</b>            RBA: <b>151,050</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Elite Aluminum Corporation</b>            Developer: <b>N/A</b></p>	<p><b>5. 2200 W Sunrise Blvd</b></p> <p>Submarket: <b>Central Broward Industrial Market</b>            RBA: <b>140,096</b>            Preleased: <b>100%</b>            Quoted Rate: <b>\$9.25</b>            Grnd Brk Date: <b>First Quarter 2016</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>CBRE</b>            Developer: <b>N/A</b></p>	<p><b>6. 1650 NW 18th St</b></p> <p>Submarket: <b>Pompano Beach Industrial Market</b>            RBA: <b>133,262</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.75</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>N/A</b></p>
<p><b>7. 2405 College Ave</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>130,802</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$8.50</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>N/A</b></p>	<p><b>8. 1660 NW 18th St</b></p> <p>Submarket: <b>Pompano Beach Industrial Market</b>            RBA: <b>122,844</b>            Preleased: <b>0%</b>            Quoted Rate: <b>\$7.75</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>N/A</b></p>	<p><b>9. 1550 NW 18th St</b></p> <p>Submarket: <b>Pompano Beach Industrial Market</b>            RBA: <b>61,958</b>            Preleased: <b>34%</b>            Quoted Rate: <b>\$7.75</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Cushman &amp; Wakefield</b>            Developer: <b>N/A</b></p>
<p><b>10. 1329 NE 12th Ave</b></p> <p>Submarket: <b>Central Broward Industrial Market</b>            RBA: <b>54,791</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>First Quarter 2017</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>Wool Plumbing Supply</b>            Developer: <b>N/A</b></p>	<p><b>11. 15461 SW 12 St</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>46,200</b>            Preleased: <b>67%</b>            Quoted Rate: <b>\$14.00</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Third Quarter 2017</b>            Leasing Co: <b>Perry Ventures</b>            Developer: <b>Perry Ventures</b></p>	<p><b>12. 15471 SW 12th St</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>40,590</b>            Preleased: <b>71%</b>            Quoted Rate: <b>\$14.00</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Perry Ventures</b>            Developer: <b>N/A</b></p>
<p><b>13. 11740 Miramar Pky</b></p> <p>Submarket: <b>Southwest Broward Industrial Market</b>            RBA: <b>37,270</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2016</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>IDI Gazeley</b>            Developer: <b>IDI Gazeley</b></p>	<p><b>14. 1371 SW 30th Ave</b></p> <p>Submarket: <b>Northeast Broward Industrial Market</b>            RBA: <b>37,050</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Fourth Quarter 2016</b>            Deliv Date: <b>First Quarter 2018</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b></p>	<p><b>15. 1550 N Powerline Rd</b></p> <p>Submarket: <b>Pompano Beach Industrial Market</b>            RBA: <b>26,933</b>            Preleased: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2015</b>            Deliv Date: <b>Fourth Quarter 2017</b>            Leasing Co: <b>Morrow Equipment</b>            Developer: <b>JWR Construction</b></p>



# Broward County Industrial Market

Figures at a Glance

## Flex Market Statistics

Third Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Broward Ind	245	2,728,579	86,686	86,686	3.2%	58,378	0	54,791	\$13.64
Coral Springs Ind	34	1,197,350	43,551	43,551	3.6%	57,959	0	0	\$11.86
Northeast Broward Ind	65	1,481,888	79,762	89,689	6.1%	(6,679)	0	0	\$13.96
Outlying Broward Ind	1	36,387	0	0	0.0%	0	0	0	\$0.00
Pompano Beach Ind	140	3,345,642	71,308	71,308	2.1%	25,844	0	0	\$11.14
Southeast Broward Ind	397	4,402,422	80,348	80,348	1.8%	42,352	0	0	\$15.89
Southwest Broward Ind	105	3,559,453	302,464	385,529	10.8%	(143,081)	70,948	86,790	\$13.96
West Sunrise Ind	68	2,882,414	137,242	198,097	6.9%	(38,582)	0	0	\$12.16
<b>Totals</b>	<b>1,055</b>	<b>19,634,135</b>	<b>801,361</b>	<b>955,208</b>	<b>4.9%</b>	<b>(3,809)</b>	<b>70,948</b>	<b>141,581</b>	<b>\$13.27</b>

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Broward Ind	1,381	17,861,618	657,850	702,625	3.9%	21,216	181,370	140,096	\$10.11
Coral Springs Ind	199	5,451,799	140,308	140,308	2.6%	79,383	0	363,210	\$8.04
Northeast Broward Ind	450	11,383,772	497,785	497,785	4.4%	191,256	0	37,050	\$9.07
Outlying Broward Ind	2	5,861	0	0	0.0%	0	0	0	\$0.00
Pompano Beach Ind	1,218	27,266,997	556,386	651,036	2.4%	(63,205)	0	344,997	\$8.82
Southeast Broward Ind	1,508	25,866,869	489,817	518,058	2.0%	309,183	30,000	0	\$10.88
Southwest Broward Ind	284	14,153,501	1,050,892	1,058,195	7.5%	207,152	0	563,017	\$8.42
West Sunrise Ind	153	6,972,946	264,744	269,544	3.9%	138,050	0	20,000	\$8.95
<b>Totals</b>	<b>5,195</b>	<b>108,963,363</b>	<b>3,657,782</b>	<b>3,837,551</b>	<b>3.5%</b>	<b>883,035</b>	<b>211,370</b>	<b>1,468,370</b>	<b>\$9.23</b>

Source: CoStar Property®

## Total Industrial Market Statistics

Third Quarter 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central Broward Ind	1,626	20,590,197	744,536	789,311	3.8%	79,594	181,370	194,887	\$10.43
Coral Springs Ind	233	6,649,149	183,859	183,859	2.8%	137,342	0	363,210	\$8.34
Northeast Broward Ind	515	12,865,660	577,547	587,474	4.6%	184,577	0	37,050	\$10.01
Outlying Broward Ind	3	42,248	0	0	0.0%	0	0	0	\$0.00
Pompano Beach Ind	1,358	30,612,639	627,694	722,344	2.4%	(37,361)	0	344,997	\$9.06
Southeast Broward Ind	1,905	30,269,291	570,165	598,406	2.0%	351,535	30,000	0	\$11.27
Southwest Broward Ind	389	17,712,954	1,353,356	1,443,724	8.2%	64,071	70,948	649,807	\$9.31
West Sunrise Ind	221	9,855,360	401,986	467,641	4.7%	99,468	0	20,000	\$9.70
<b>Totals</b>	<b>6,250</b>	<b>128,597,498</b>	<b>4,459,143</b>	<b>4,792,759</b>	<b>3.7%</b>	<b>879,226</b>	<b>282,318</b>	<b>1,609,951</b>	<b>\$9.76</b>

Source: CoStar Property®

## Broward County Industrial Market



Figures at a Glance

## Flex Market Statistics

Third Quarter 2017

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	
2017 3q	1,055	19,634,135	801,361	955,208	4.9%	(40,242)	0	0	3	141,581	\$13.27
2017 2q	1,055	19,634,135	771,046	914,966	4.7%	139,975	0	0	3	141,581	\$13.20
2017 1q	1,055	19,634,135	895,267	1,054,941	5.4%	(103,542)	1	70,948	3	141,581	\$13.18
2016 4q	1,054	19,563,187	796,420	880,451	4.5%	(69,166)	0	0	3	157,738	\$13.14
2016 3q	1,054	19,563,187	725,379	811,285	4.1%	202,276	0	0	3	157,738	\$12.82
2016 2q	1,054	19,563,187	926,055	1,013,561	5.2%	124,028	0	0	1	70,948	\$12.40
2016 1q	1,054	19,563,187	1,050,683	1,137,589	5.8%	120,561	0	0	0	0	\$12.43
2015	1,055	19,613,284	1,225,705	1,308,247	6.7%	272,114	0	0	0	0	\$12.73
2014	1,055	19,613,284	1,578,761	1,580,361	8.1%	258,506	2	19,520	0	0	\$13.31
2013	1,053	19,593,764	1,809,808	1,819,347	9.3%	108,221	0	0	1	11,520	\$10.94
2012	1,053	19,593,764	1,919,718	1,927,568	9.8%	211,820	0	0	0	0	\$10.06
2011	1,053	19,593,764	2,139,388	2,139,388	10.9%	55,276	1	13,434	0	0	\$9.85
2010	1,052	19,580,330	2,120,803	2,181,230	11.1%	304,064	0	0	1	13,434	\$10.59
2009	1,052	19,580,330	2,414,401	2,485,294	12.7%	(520,599)	5	71,431	0	0	\$10.95
2008	1,047	19,508,899	1,862,979	1,893,264	9.7%	(187,582)	4	175,728	3	18,000	\$12.44
2007	1,043	19,333,171	1,477,019	1,529,954	7.9%	(279,926)	3	160,344	3	108,724	\$13.06

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2017

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	
2017 3q	5,195	108,963,363	3,657,782	3,837,551	3.5%	271,216	1	166,370	13	1,468,370	\$9.23
2017 2q	5,194	108,796,993	3,740,167	3,942,397	3.6%	84,191	2	45,000	13	1,614,740	\$9.12
2017 1q	5,194	108,789,150	3,874,200	4,018,745	3.7%	527,628	0	0	14	1,435,168	\$9.11
2016 4q	5,194	108,789,150	4,431,139	4,546,373	4.2%	1,110,335	9	444,744	9	734,571	\$8.97
2016 3q	5,187	108,367,736	5,086,221	5,235,294	4.8%	547,207	1	29,952	15	860,413	\$8.89
2016 2q	5,189	108,357,132	5,714,127	5,771,897	5.3%	612,678	2	69,952	14	838,095	\$8.76
2016 1q	5,190	108,345,116	6,284,491	6,372,559	5.9%	349,722	2	212,291	16	908,047	\$8.43
2015	5,191	108,153,941	6,483,478	6,531,106	6.0%	1,606,571	13	1,147,244	16	813,872	\$8.25
2014	5,178	107,006,697	6,897,656	6,990,433	6.5%	2,139,892	7	779,788	9	863,477	\$7.71
2013	5,173	106,290,543	8,325,272	8,414,171	7.9%	1,553,195	6	704,959	5	549,752	\$7.42
2012	5,167	105,585,584	9,129,877	9,262,407	8.8%	676,317	1	8,501	4	380,558	\$7.13
2011	5,169	105,690,528	9,766,642	10,043,668	9.5%	(156,273)	1	10,000	3	285,279	\$7.17
2010	5,166	105,669,725	9,508,769	9,866,592	9.3%	761,609	6	349,021	3	26,536	\$7.28
2009	5,160	105,291,804	9,732,869	10,250,280	9.7%	(2,191,254)	18	614,717	7	346,535	\$7.50
2008	5,142	104,653,797	7,063,134	7,421,019	7.1%	(150,700)	37	2,144,921	20	834,536	\$8.16
2007	5,103	102,414,474	4,560,925	5,030,996	4.9%	225,607	34	1,443,033	37	1,770,894	\$8.49

Source: CoStar Property®

## Total Industrial Market Statistics

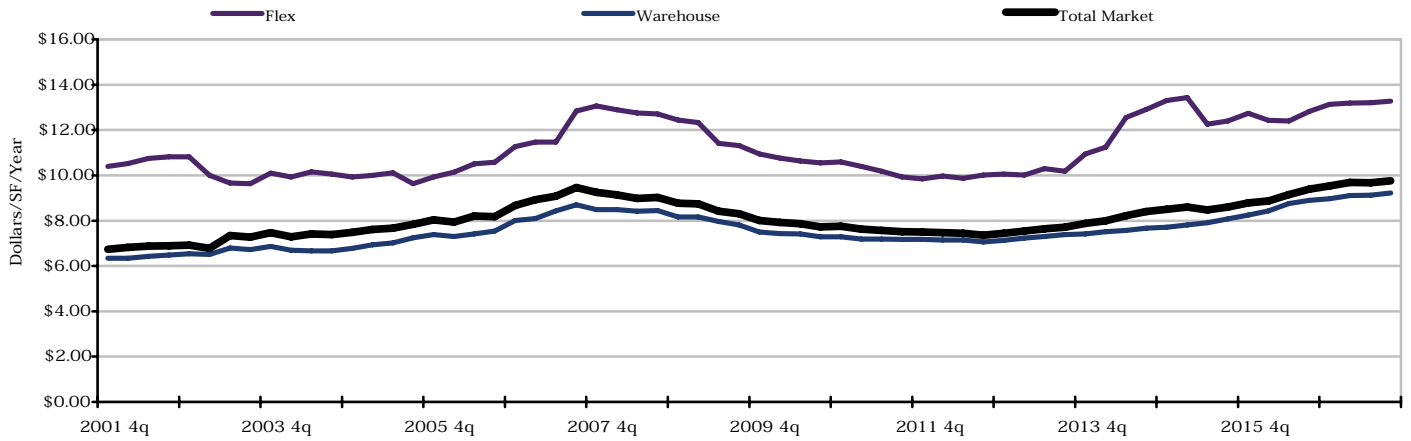
Third Quarter 2017

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	
2017 3q	6,250	128,597,498	4,459,143	4,792,759	3.7%	230,974	1	166,370	16	1,609,951	\$9.76
2017 2q	6,249	128,431,128	4,511,213	4,857,363	3.8%	224,166	2	45,000	16	1,756,321	\$9.67
2017 1q	6,249	128,423,285	4,769,467	5,073,686	4.0%	424,086	1	70,948	17	1,576,749	\$9.69
2016 4q	6,248	128,352,337	5,227,559	5,426,824	4.2%	1,041,169	9	444,744	12	892,309	\$9.54
2016 3q	6,241	127,930,923	5,811,600	6,046,579	4.7%	749,483	1	29,952	18	1,018,151	\$9.39
2016 2q	6,243	127,920,319	6,640,182	6,785,458	5.3%	736,706	2	69,952	15	909,043	\$9.15
2016 1q	6,244	127,908,303	7,335,174	7,510,148	5.9%	470,283	2	212,291	16	908,047	\$8.87
2015	6,246	127,767,225	7,709,183	7,839,353	6.1%	1,878,685	13	1,147,244	16	813,872	\$8.78
2014	6,233	126,619,981	8,476,417	8,570,794	6.8%	2,398,398	9	799,308	9	863,477	\$8.50
2013	6,226	125,884,307	10,135,080	10,233,518	8.1%	1,661,416	6	704,959	6	561,272	\$7.88
2012	6,220	125,179,348	11,049,595	11,189,975	8.9%	888,137	1	8,501	4	380,558	\$7.44
2011	6,222	125,284,292	11,906,030	12,183,056	9.7%	(100,997)	2	23,434	3	285,279	\$7.50
2010	6,218	125,250,055	11,629,572	12,047,822	9.6%	1,065,673	6	349,021	4	39,970	\$7.75
2009	6,212	124,872,134	12,147,270	12,735,574	10.2%	(2,711,853)	23	686,148	7	346,535	\$8.00
2008	6,189	124,162,696	8,926,113	9,314,283	7.5%	(338,282)	41	2,320,649	23	852,536	\$8.77
2007	6,146	121,747,645	6,037,944	6,560,950	5.4%	(54,319)	37	1,603,377	40	1,879,618	\$9.25

Source: CoStar Property®

## Historical Rental Rates

Based on Quoted Rental Rates



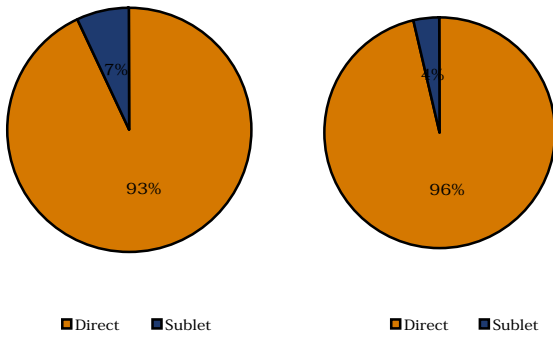
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Broward County

United States



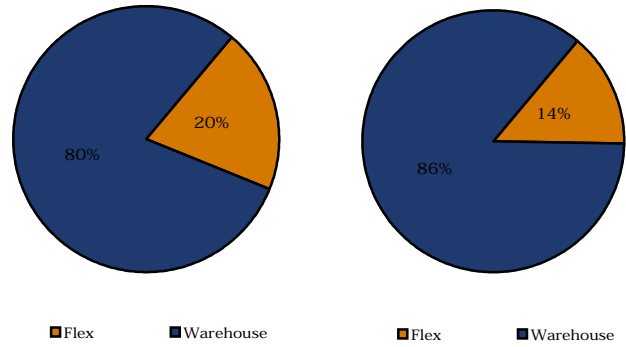
Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

Broward County

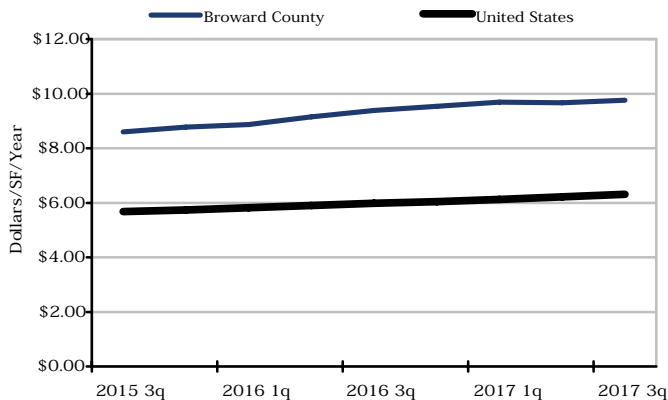
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

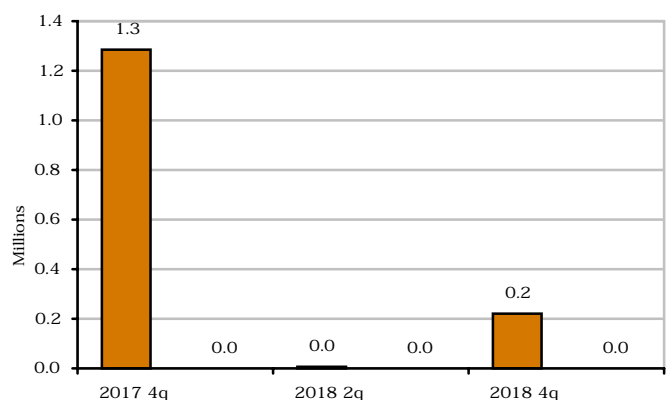
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space

# Broward County Industrial Market



Leasing Activity

## Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2017

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	2200 W Sunrise Blvd	Central Broward Ind	97,326	2nd	US Auto Force	CBRE	CBRE
2	400 Hillsboro Technology Dr	Northeast Broward Ind	89,600	1st	N/A	N/A	Butters Realty & Management
3	1951 N Commerce Pky	Southwest Broward Ind	67,816	2nd	VPX Sports	N/A	Cushman & Wakefield
4	3201-3361 Enterprise Way	Southwest Broward Ind	67,523	2nd	N/A	N/A	Colliers International South Florid
5	3350 SW 64th Ave	Southwest Broward Ind	67,000	1st	Aviall	N/A	IDI Gazeley; CBRE
6	11500 Miramar Pky	Southwest Broward Ind	63,800	3rd	N/A	N/A	CBRE
7	2200 W Sunrise Blvd	Central Broward Ind	57,340	1st	Broward Motor Sports	N/A	CBRE
8	3251 SW 26th Ter*	Southeast Broward Ind	50,000	2nd	Waste Management	N/A	N/A
9	2500-2530 W Copans Rd	Pompano Beach Ind	47,320	1st	Castle Gate Logistics	Transwestern	CBRE
10	2022 W Atlantic Blvd*	Pompano Beach Ind	43,093	1st	Hurok Marble	N/A	Duke Realty Corporation
11	6900 Hiatus Rd	West Sunrise Ind	41,580	2nd	N/A	N/A	Butters Realty & Management
12	6501 NW 12th Ave	Pompano Beach Ind	41,405	1st	N/A	N/A	Liberty Property Trust
13	2301 SW 32nd Ave	Southeast Broward Ind	40,630	2nd	Compass Group	Direct Deal	Cushman & Wakefield
14	3277 SE 14th Ave	Southeast Broward Ind	40,200	2nd	N/A	N/A	Victoria W Graef
15	3030-3044 SW 42nd St	Southeast Broward Ind	38,480	1st	N/A	N/A	The Kelsey Group, Inc.
16	9700-9786 Premier Pky	Southwest Broward Ind	38,147	1st	N/A	N/A	Vivo Real Estate Group, Inc.; Sunbe
17	3860-3890 Pembroke Rd	Southeast Broward Ind	36,410	3rd	N/A	N/A	Prologis; CBRE
18	19700 Stirling Rd	Southwest Broward Ind	35,385	3rd	N/A	N/A	Berger Commercial Realty Corp/CORFA
19	3900-3950 Executive Way	Southwest Broward Ind	34,471	3rd	N/A	N/A	Vivo Real Estate Group, Inc.
20	3350 SW 64th Ave	Southwest Broward Ind	33,175	3rd	N/A	N/A	IDI Gazeley; CBRE
21	2004-2036 NW 25th Ave	Pompano Beach Ind	31,463	1st	LKQ	Butters Realty & Management	CBRE
22	2800-2840 SW 42nd St	Southeast Broward Ind	30,732	2nd	N/A	N/A	Butters Realty & Management
23	3200 NW 27th Ave	Pompano Beach Ind	27,507	2nd	Advanced Imaging Systems, LLC	N/A	Cushman & Wakefield
24	2694 SW 36th St	Southeast Broward Ind	27,269	2nd	N/A	N/A	Cushman & Wakefield
25	3360 Enterprise Ave	Southwest Broward Ind	27,000	1st	Imperial Tobacco	N/A	ComReal Fort Lauderdale
26	3900-3950 Executive Way	Southwest Broward Ind	26,976	1st	Cyborg Investments, LLC	N/A	Vivo Real Estate Group, Inc.
27	3301-3499 SW 42nd St	Southeast Broward Ind	26,642	3rd	Premier Group	N/A	Prologis; CBRE
28	3101-3199 SW 42nd St	Southeast Broward Ind	25,600	1st	N/A	N/A	CBRE
29	1800-1838 SW 2nd St	Pompano Beach Ind	24,600	1st	N/A	CBRE	Duke Realty Corporation
30	3585 NW 54th St	Central Broward Ind	24,490	3rd	N/A	N/A	CBRE
31	5251 NW 103rd Ave	West Sunrise Ind	24,050	2nd	N/A	N/A	US Realty Advisors
32	1919 NW 19th St	Central Broward Ind	23,936	3rd	JSU Investments	N/A	Montalbano Commercial Realty
33	2401-2599 SW 32nd Ave	Southeast Broward Ind	23,549	1st	Wheel Pros	N/A	Transwestern
34	3350 SW 64th Ave	Southwest Broward Ind	22,500	2nd	N/A	N/A	IDI Gazeley; CBRE
35	405-425 SW 148th Ave	Southwest Broward Ind	22,000	3rd	N/A	N/A	Real E Services
36	15851 SW 41st St	Southwest Broward Ind	21,320	2nd	N/A	N/A	Butters Realty & Management
37	1550 NW 18th St	Pompano Beach Ind	21,039	3rd	N/A	N/A	Cushman & Wakefield
38	3151 NW 27th Ave	Pompano Beach Ind	21,030	3rd	N/A	N/A	Duke Realty Corporation
39	3151 NW 27th Ave	Pompano Beach Ind	21,030	1st	N/A	N/A	Duke Realty Corporation
40	6001 N Hiatus Rd	West Sunrise Ind	20,987	3rd	N/A	N/A	Butters Realty & Management

Source: CoStar Property®

\* Renewal



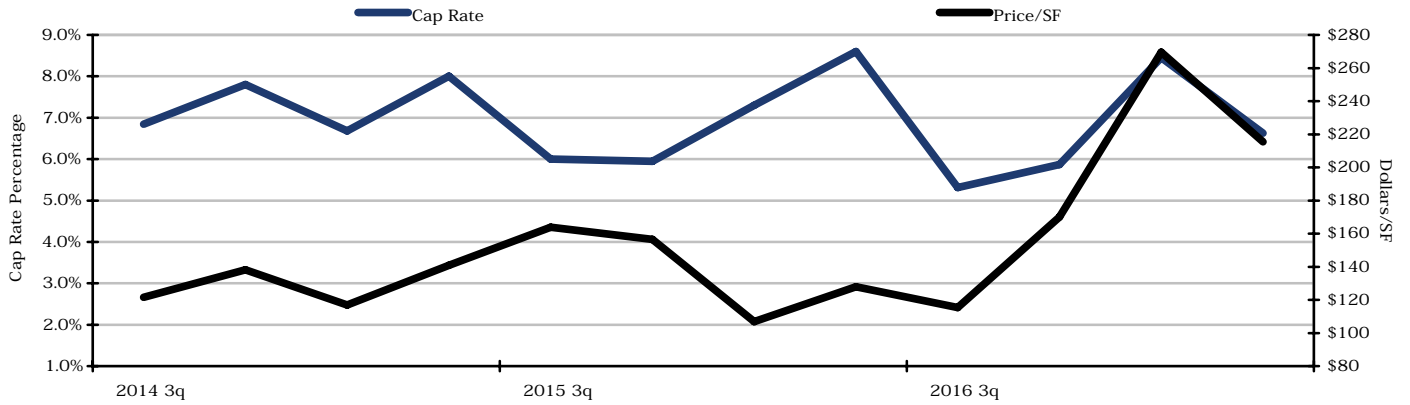


# Broward County Industrial Market

Sales Activity

## The Optimist Sales Index

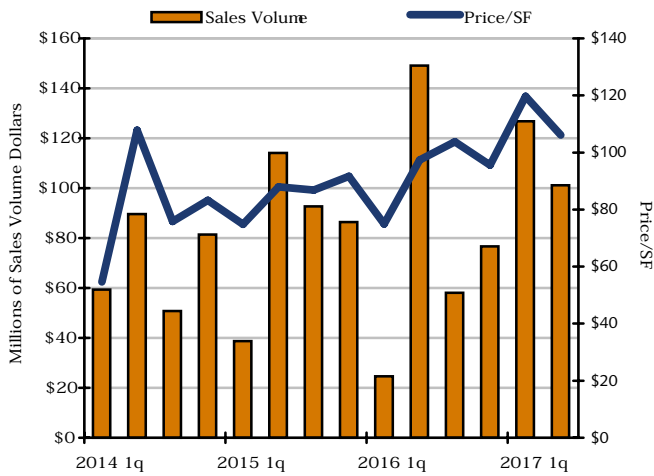
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



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

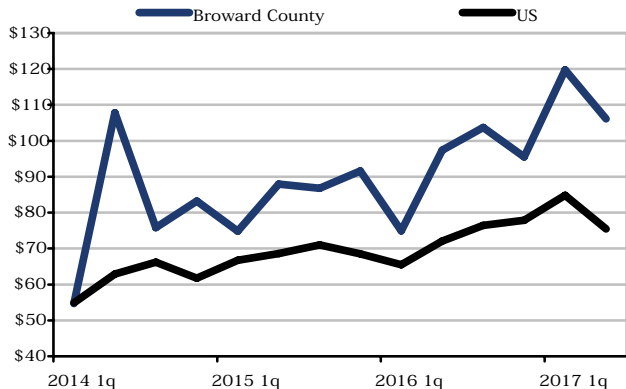
Based on Industrial Bldg Sales From July 2016 - June 2017

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	112	1,243,866	\$150,406,150	\$120.92	7.91%
25K-99K SF	31	1,497,342	\$142,218,587	\$ 94.98	7.36%
100K-249K SF	7	969,804	\$102,788,600	\$105.99	6.23%
>250K SF	1	304,428	\$50,000,000	\$164.24	-

Source: CoStar COMPS®

## U.S. Price/SF Comparison

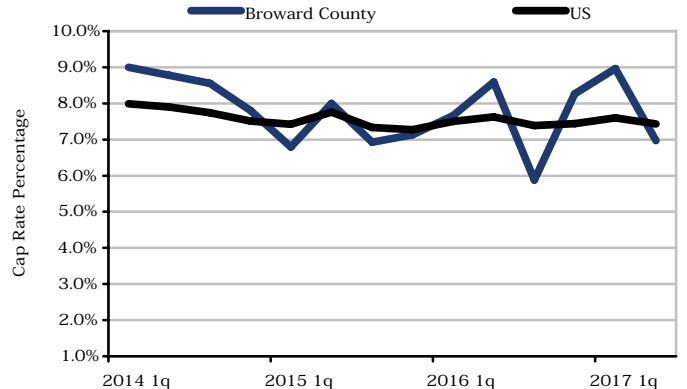
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

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



Source: CoStar COMPS®

# Broward County Industrial Market



Sales Activity

## Select Top Sales

Based on Sales from July 2016 Through September 2017

### 1. 2200 W Sunrise Blvd



#### Fort Lauderdale

Price: **\$54,825,000**  
 Price/SF: **\$178.89**  
 Cap Rate: **N/A**  
 RBA: **306,466**  
 Date: **9/27/2017**  
 Year Built: **2017**  
 Buyer: **Duke Realty Corporation**  
 Seller: **Bridge Development Partners**

### 2. Miramar Centre Business Park - Bldg



#### Miramar

Price: **\$50,000,000**  
 Price/SF: **\$164.24**  
 Cap Rate: **N/A**  
 RBA: **304,428**  
 Date: **1/31/2017**  
 Year Built: **2014**  
 Buyer: **Apotex Corp.**  
 Seller: **IDI Gazeley**

### 3. Pompano Distribution Center I



#### Pompano Beach

Price: **\$23,600,000**  
 Price/SF: **\$116.70**  
 Cap Rate: **5.13%**  
 RBA: **202,226**  
 Date: **8/18/2016**  
 Year Built: **2013**  
 Buyer: **Zurich Alternative Asset Management, LLC**  
 Seller: **Robinson Weeks Partners**

### 4. Pompano Business Center - Bldg O



#### Pompano Beach

Price: **\$22,650,000**  
 Price/SF: **\$131.59**  
 Cap Rate: **N/A**  
 RBA: **172,120**  
 Date: **9/5/2017**  
 Year Built: **2001**  
 Buyer: **First Industrial Realty Trust, Inc.**  
 Seller: **JPMorgan Chase & Co.**

### 5. Sonny's Enterprises



#### Tamarac

Price: **\$18,500,000**  
 Price/SF: **\$137.04**  
 Cap Rate: **N/A**  
 RBA: **135,000**  
 Date: **5/26/2017**  
 Year Built: **2001**  
 Buyer: **Cabot Properties, Inc.**  
 Seller: **SONNY'S The CarWash Factory**

### 6. 4250 Coral Ridge Dr



#### Coral Springs

Price: **\$14,880,000**  
 Price/SF: **\$62.00**  
 Cap Rate: **N/A**  
 RBA: **240,000**  
 Date: **9/13/2017**  
 Year Built: **1981**  
 Buyer: **Exeter Property Group**  
 Seller: **HOERBIGER America Rings & Packing, Inc.**

### 7. East Port Center



#### Fort Lauderdale

Price: **\$14,800,000**  
 Price/SF: **\$136.41**  
 Cap Rate: **6.82%**  
 RBA: **108,500**  
 Date: **4/26/2017**  
 Year Built: **2000**  
 Buyer: **Wake Forest Acquisitions LP**  
 Seller: **E. J. Plesko & Associates Inc**

### 8. 1951 N Commerce Pky



#### Weston

Price: **\$14,313,600**  
 Price/SF: **\$106.50**  
 Cap Rate: **N/A**  
 RBA: **134,400**  
 Date: **11/1/2016**  
 Year Built: **1997**  
 Buyer: **EastGroup Properties, Inc.**  
 Seller: **Founders Properties, LLC**

### 9. Wartsila



#### Fort Lauderdale

Price: **\$13,700,000**  
 Price/SF: **\$171.25**  
 Cap Rate: **5.74%**  
 RBA: **80,000**  
 Date: **12/13/2016**  
 Year Built: **1997**  
 Buyer: **Charles Dimston**  
 Seller: **Hanseatic Land Trust**



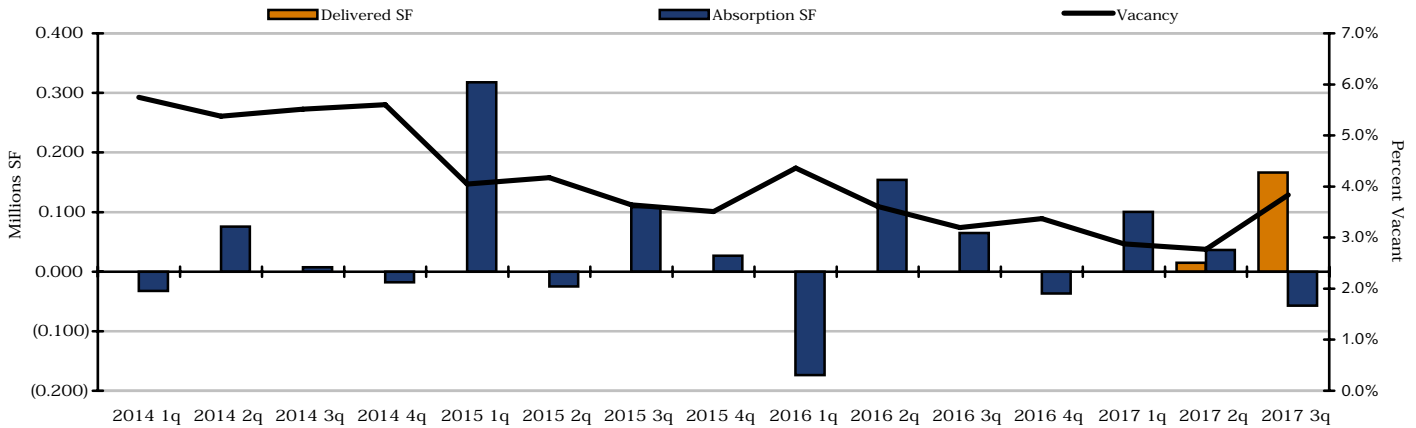
# Broward County Industrial Market

## Central Broward Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

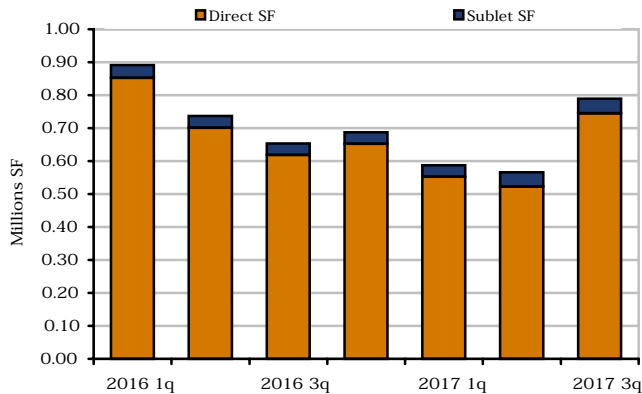
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

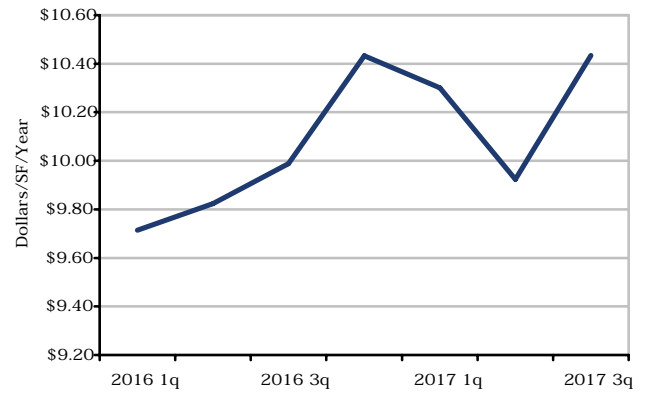
### Historical Analysis, Flex and Warehouse



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	
2017 3q	1,626	20,590,197	789,311	3.8%	(57,091)	1	166,370	2	194,887	\$10.43
2017 2q	1,625	20,423,827	565,850	2.8%	36,536	1	15,000	3	361,257	\$9.92
2017 1q	1,624	20,408,827	587,386	2.9%	100,149	0	0	4	376,257	\$10.30
2016 4q	1,624	20,408,827	687,535	3.4%	(36,947)	0	0	3	321,466	\$10.43
2016 3q	1,625	20,411,157	652,918	3.2%	64,916	0	0	3	321,466	\$9.99
2016 2q	1,628	20,430,505	737,182	3.6%	154,078	0	0	2	306,466	\$9.82
2016 1q	1,628	20,430,505	891,260	4.4%	(173,863)	0	0	2	306,466	\$9.71
2015 4q	1,628	20,430,505	717,397	3.5%	26,568	0	0	0	0	\$9.35
2015 3q	1,628	20,430,505	743,965	3.6%	108,119	0	0	0	0	\$8.66
2015 2q	1,628	20,430,505	852,084	4.2%	(24,951)	0	0	0	0	\$8.55
2015 1q	1,628	20,430,505	827,133	4.0%	318,047	0	0	0	0	\$8.10
2014 4q	1,628	20,430,505	1,145,180	5.6%	(17,944)	0	0	0	0	\$7.95
2014 3q	1,628	20,430,505	1,127,236	5.5%	7,137	0	0	0	0	\$8.01
2014 2q	1,627	20,392,258	1,096,126	5.4%	75,595	0	0	1	38,247	\$7.96
2014 1q	1,627	20,392,258	1,171,721	5.7%	(32,640)	0	0	1	38,247	\$7.75
2013 4q	1,628	20,394,208	1,141,031	5.6%	78,770	0	0	0	0	\$7.80

Source: CoStar Property®

# Broward County Industrial Market

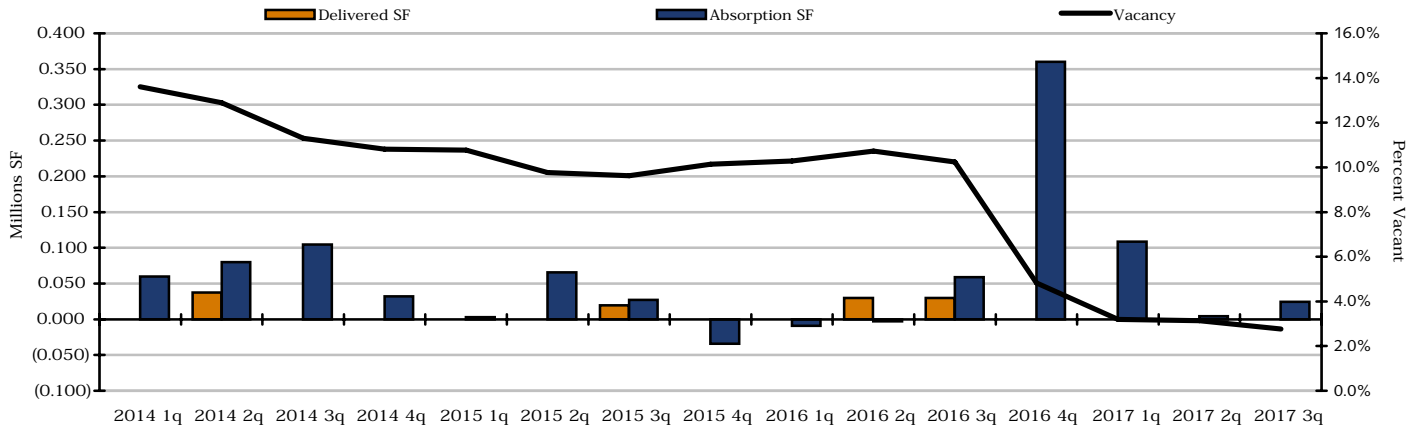


## Coral Springs Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

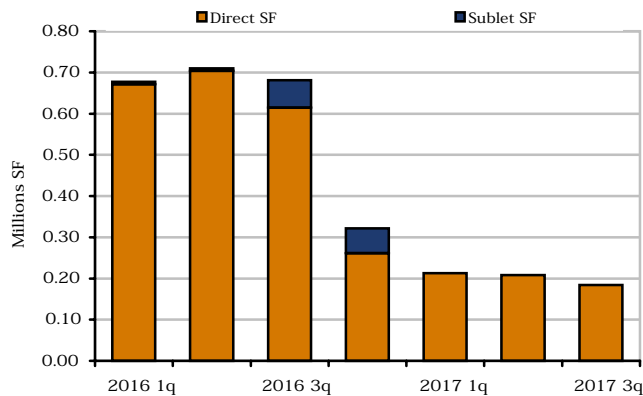
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

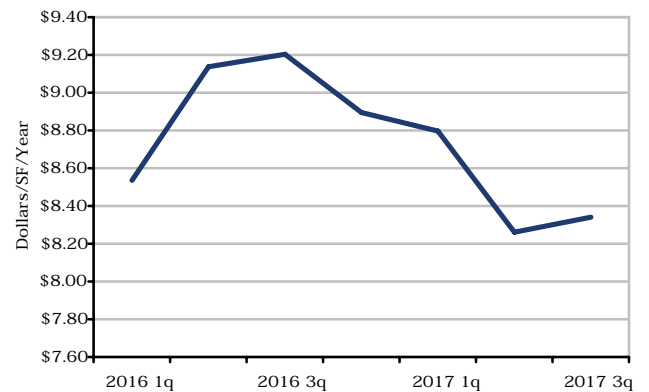
### Historical Analysis, Flex and Warehouse



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	
2017 3q	233	6,649,149	183,859	2.8%	24,363	0	0	2	363,210	\$8.34
2017 2q	233	6,649,149	208,222	3.1%	4,281	0	0	2	363,210	\$8.26
2017 1q	233	6,649,149	212,503	3.2%	108,698	0	0	2	363,210	\$8.80
2016 4q	233	6,649,149	321,201	4.8%	360,061	0	0	1	151,050	\$8.90
2016 3q	233	6,649,149	681,262	10.2%	58,780	1	29,952	0	0	\$9.20
2016 2q	232	6,619,197	710,090	10.7%	(2,854)	1	29,952	1	29,952	\$9.14
2016 1q	231	6,589,245	677,284	10.3%	(8,929)	0	0	2	59,904	\$8.54
2015 4q	231	6,589,245	668,355	10.1%	(34,122)	0	0	2	59,904	\$8.33
2015 3q	231	6,589,245	634,233	9.6%	27,298	1	19,724	2	59,904	\$8.56
2015 2q	230	6,569,521	641,807	9.8%	65,597	0	0	3	79,628	\$8.14
2015 1q	230	6,569,521	707,404	10.8%	2,962	0	0	3	79,628	\$7.98
2014 4q	230	6,569,521	710,366	10.8%	32,019	0	0	0	0	\$7.65
2014 3q	230	6,569,521	742,385	11.3%	104,505	0	0	0	0	\$7.46
2014 2q	230	6,569,521	846,890	12.9%	79,816	1	37,469	0	0	\$7.52
2014 1q	229	6,532,052	889,237	13.6%	59,750	0	0	1	37,469	\$7.13
2013 4q	229	6,532,052	948,987	14.5%	(47,871)	0	0	1	37,469	\$7.24

Source: CoStar Property®



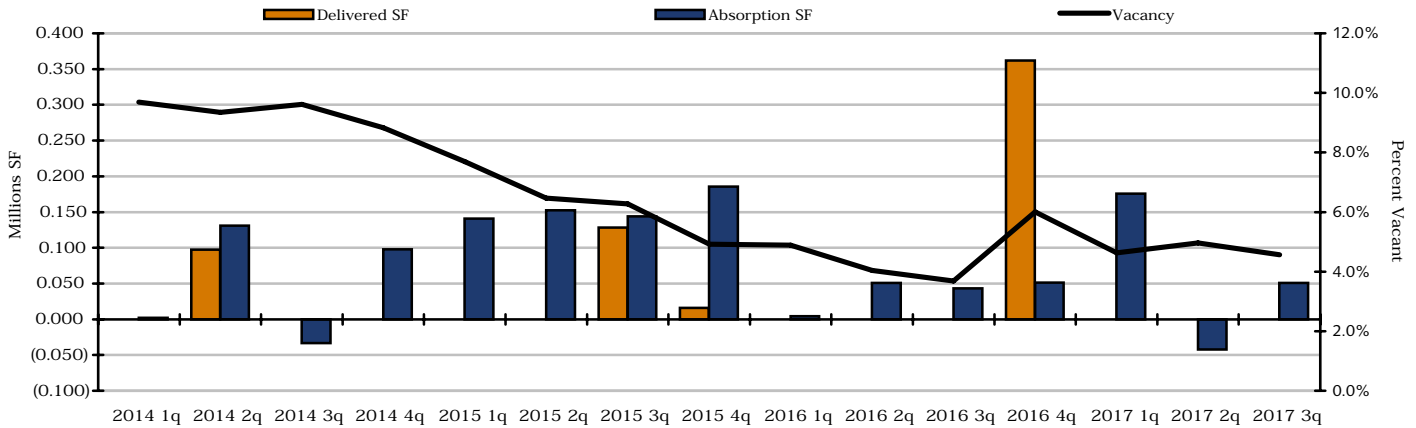
# Broward County Industrial Market

## Northeast Broward Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

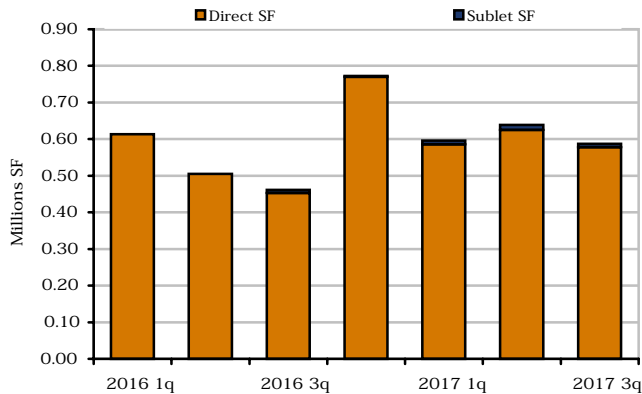
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

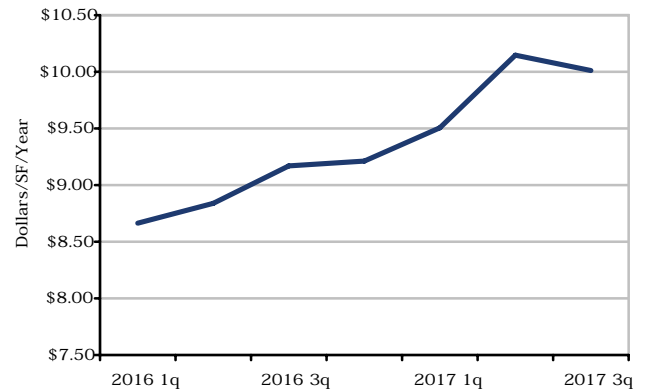
### Historical Analysis, Flex and Warehouse



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	
2017 3q	515	12,865,660	587,474	4.6%	51,034	0	0	1	37,050	\$10.01
2017 2q	515	12,865,660	638,508	5.0%	(42,217)	0	0	1	37,050	\$10.15
2017 1q	515	12,865,660	596,291	4.6%	175,760	0	0	1	37,050	\$9.50
2016 4q	515	12,865,660	772,051	6.0%	51,378	5	362,047	1	37,050	\$9.21
2016 3q	510	12,503,613	461,382	3.7%	43,412	0	0	5	362,047	\$9.17
2016 2q	510	12,503,613	504,794	4.0%	50,859	0	0	5	362,047	\$8.84
2016 1q	513	12,561,549	613,589	4.9%	4,190	0	0	5	362,047	\$8.66
2015 4q	513	12,561,549	617,779	4.9%	185,655	1	15,976	5	362,047	\$8.68
2015 3q	512	12,545,573	787,458	6.3%	143,994	1	128,400	4	118,886	\$8.70
2015 2q	511	12,417,173	803,052	6.5%	152,362	0	0	5	247,286	\$8.55
2015 1q	511	12,417,173	955,414	7.7%	140,725	0	0	2	144,376	\$8.38
2014 4q	511	12,417,173	1,096,139	8.8%	97,895	0	0	2	144,376	\$8.44
2014 3q	511	12,417,173	1,194,034	9.6%	(33,127)	0	0	1	128,400	\$8.21
2014 2q	511	12,417,173	1,160,907	9.3%	130,933	1	97,615	0	0	\$8.10
2014 1q	510	12,319,558	1,194,225	9.7%	1,920	0	0	1	97,615	\$8.18
2013 4q	510	12,319,558	1,196,145	9.7%	(59,014)	0	0	1	97,615	\$8.05

Source: CoStar Property®

# Broward County Industrial Market

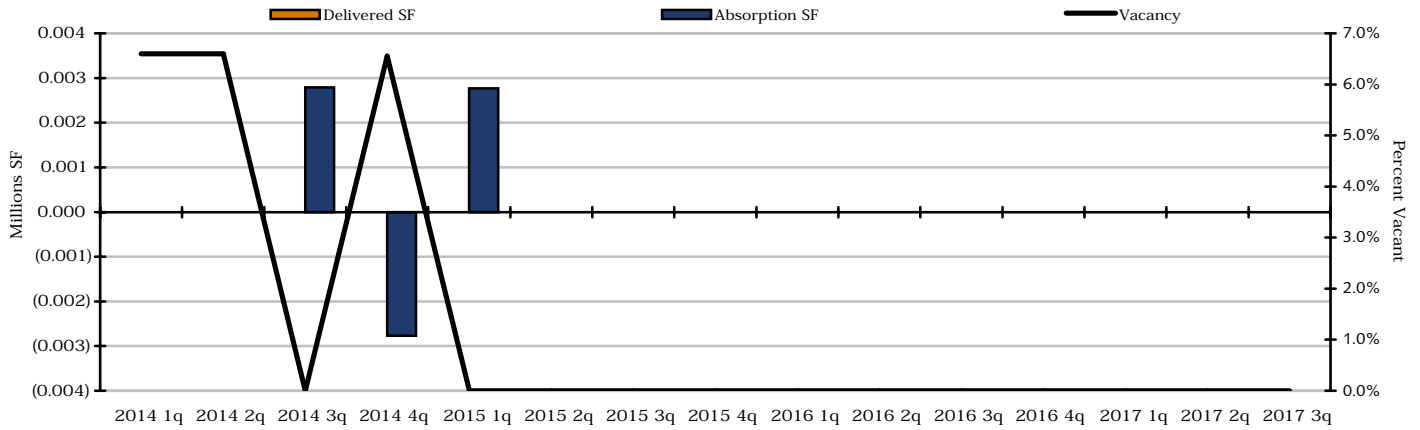


Outlying Broward Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

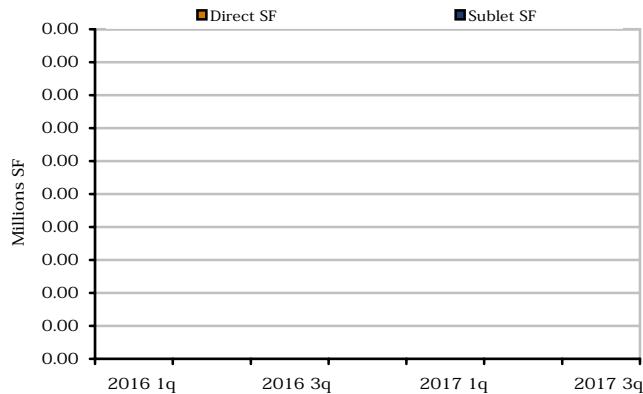
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

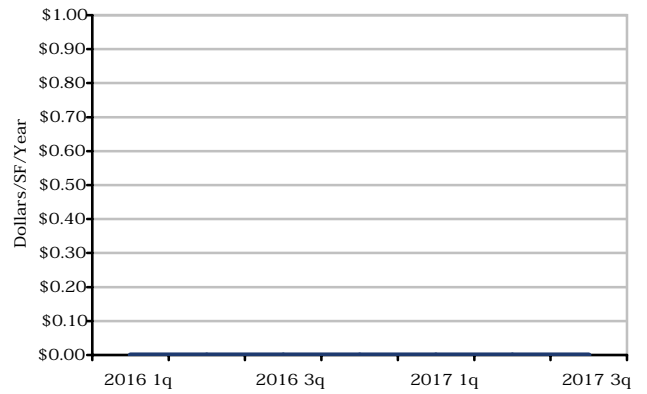
Historical Analysis, Flex and Warehouse



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	
2017 3q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2017 2q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2017 1q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	3	42,248	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	3	42,248	0	0.0%	0	0	0	0	0	\$14.45
2015 3q	3	42,248	0	0.0%	0	0	0	0	0	\$14.45
2015 2q	3	42,248	0	0.0%	0	0	0	0	0	\$14.45
2015 1q	3	42,248	0	0.0%	2,769	0	0	0	0	\$14.45
2014 4q	3	42,248	2,769	6.6%	(2,769)	0	0	0	0	\$14.45
2014 3q	3	42,248	0	0.0%	2,789	0	0	0	0	\$14.45
2014 2q	3	42,248	2,789	6.6%	0	0	0	0	0	\$13.95
2014 1q	3	42,248	2,789	6.6%	0	0	0	0	0	\$13.95
2013 4q	3	42,248	2,789	6.6%	(2,789)	0	0	0	0	\$13.95

Source: CoStar Property®



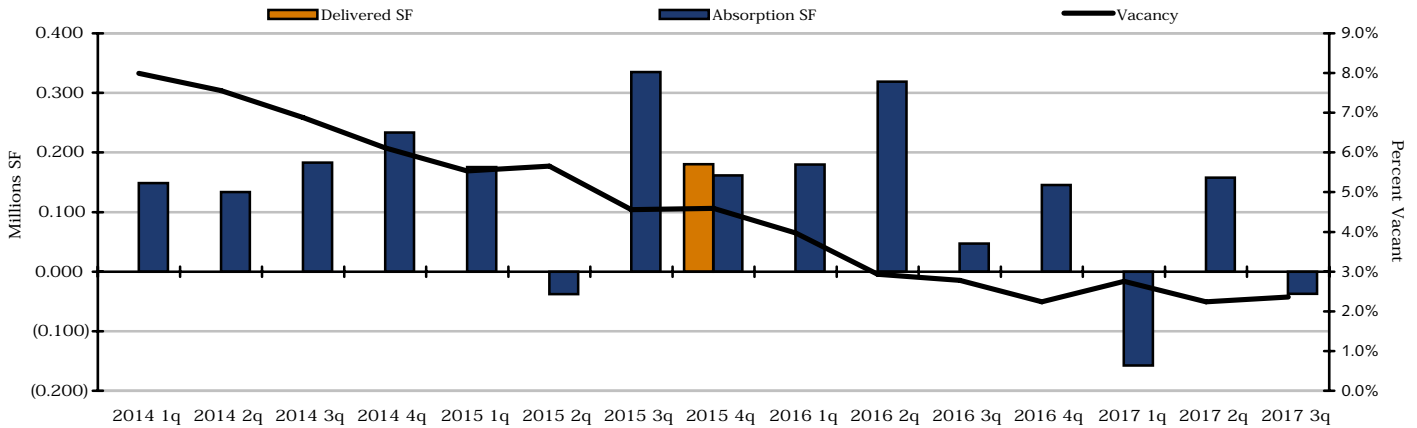
# Broward County Industrial Market

## Pompano Beach Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

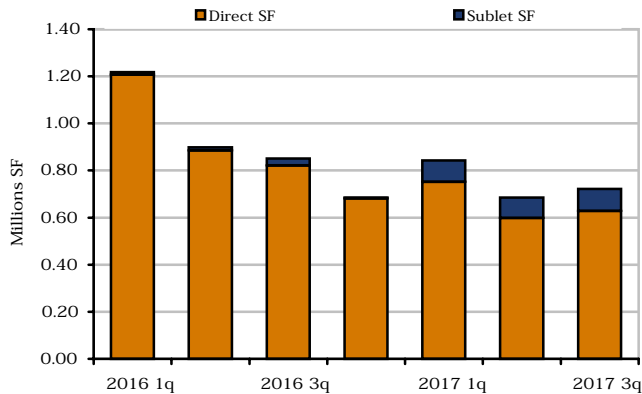
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

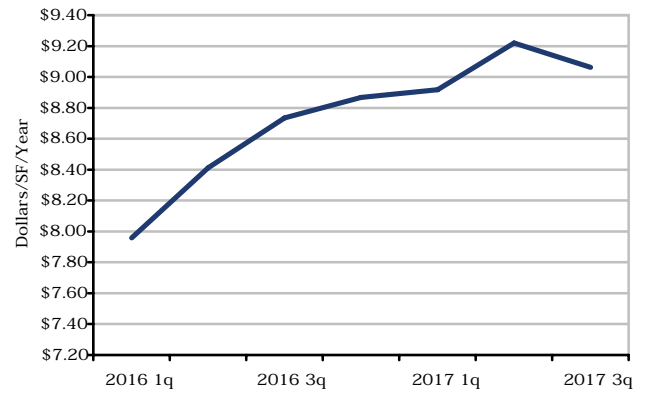
### Historical Analysis, Flex and Warehouse



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	
2017 3q	1,358	30,612,639	722,344	2.4%	(37,484)	0	0	4	344,997	\$9.06
2017 2q	1,358	30,612,639	684,860	2.2%	157,735	0	0	4	344,997	\$9.22
2017 1q	1,358	30,612,639	842,595	2.8%	(157,612)	0	0	4	344,997	\$8.92
2016 4q	1,358	30,612,639	684,983	2.2%	145,510	0	0	1	26,933	\$8.87
2016 3q	1,359	30,633,639	851,493	2.8%	47,350	0	0	1	26,933	\$8.74
2016 2q	1,359	30,633,639	898,843	2.9%	319,076	0	0	1	26,933	\$8.41
2016 1q	1,359	30,633,639	1,217,919	4.0%	179,893	0	0	1	26,933	\$7.96
2015 4q	1,360	30,643,095	1,407,268	4.6%	161,750	2	180,178	1	26,933	\$8.27
2015 3q	1,358	30,462,917	1,388,840	4.6%	335,005	0	0	2	180,178	\$8.07
2015 2q	1,358	30,462,917	1,723,845	5.7%	(37,526)	0	0	2	180,178	\$7.90
2015 1q	1,358	30,462,917	1,686,319	5.5%	175,419	0	0	1	90,089	\$7.90
2014 4q	1,358	30,462,917	1,861,738	6.1%	233,228	0	0	0	0	\$7.76
2014 3q	1,358	30,462,917	2,094,966	6.9%	183,074	0	0	0	0	\$7.74
2014 2q	1,359	30,488,048	2,303,171	7.6%	133,354	0	0	0	0	\$7.24
2014 1q	1,359	30,488,048	2,436,525	8.0%	148,828	0	0	0	0	\$7.30
2013 4q	1,359	30,488,048	2,585,353	8.5%	266,964	0	0	0	0	\$7.22

Source: CoStar Property®

# Broward County Industrial Market

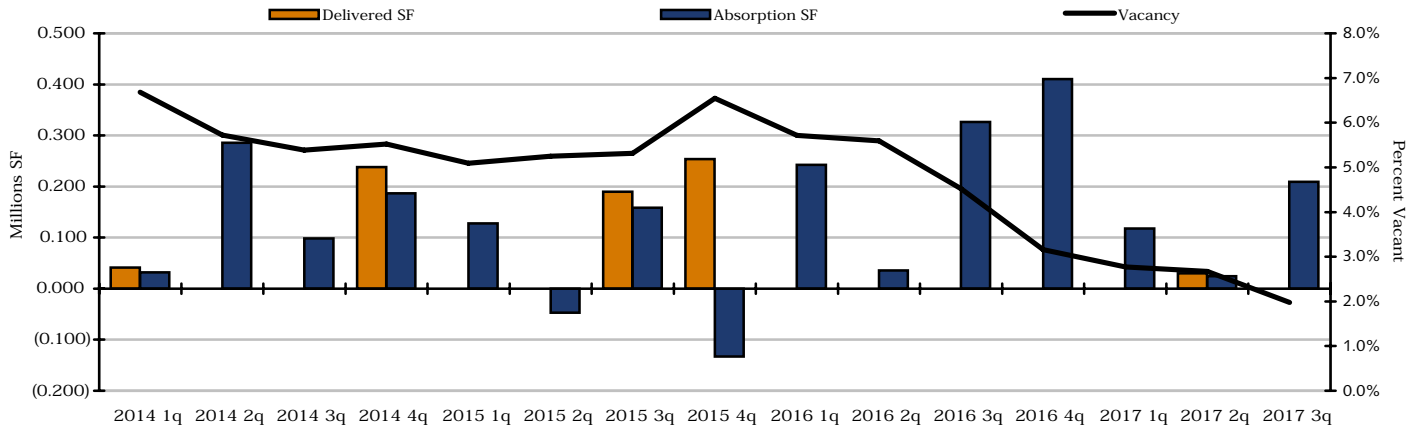


Southeast Broward Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

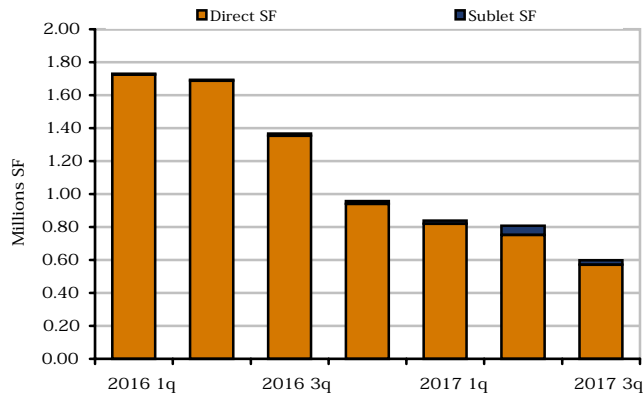
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

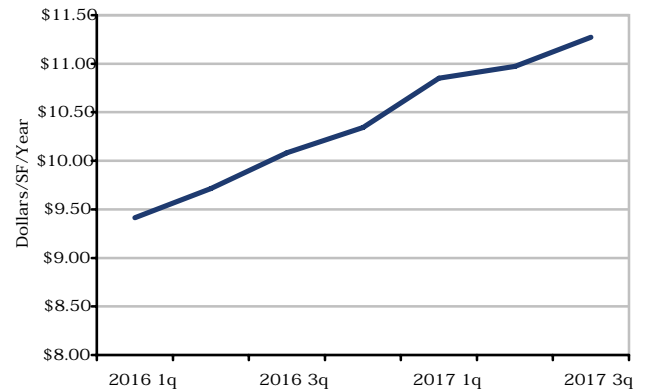
Historical Analysis, Flex and Warehouse



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	
2017 3q	1,905	30,269,291	598,406	2.0%	209,523	0	0	0	0	\$11.27
2017 2q	1,905	30,269,291	807,929	2.7%	24,317	1	30,000	0	0	\$10.97
2017 1q	1,906	30,276,448	839,403	2.8%	117,695	0	0	1	30,000	\$10.85
2016 4q	1,906	30,276,448	957,098	3.2%	410,101	0	0	1	30,000	\$10.34
2016 3q	1,906	30,276,448	1,367,199	4.5%	326,388	0	0	1	30,000	\$10.08
2016 2q	1,906	30,276,448	1,693,587	5.6%	35,749	0	0	1	30,000	\$9.72
2016 1q	1,906	30,276,448	1,729,336	5.7%	242,253	0	0	1	30,000	\$9.41
2015 4q	1,908	30,288,108	1,983,249	6.5%	(132,698)	3	253,444	1	30,000	\$8.98
2015 3q	1,905	30,034,664	1,597,107	5.3%	158,687	1	189,620	3	253,444	\$8.85
2015 2q	1,904	29,845,044	1,566,174	5.2%	(47,192)	0	0	4	443,064	\$8.76
2015 1q	1,904	29,845,044	1,518,982	5.1%	128,024	0	0	4	443,064	\$8.75
2014 4q	1,904	29,845,044	1,647,006	5.5%	186,434	3	238,036	3	297,264	\$8.73
2014 3q	1,901	29,607,008	1,595,404	5.4%	98,085	0	0	5	345,680	\$8.77
2014 2q	1,901	29,607,008	1,693,489	5.7%	285,742	0	0	5	345,680	\$8.51
2014 1q	1,901	29,607,008	1,979,231	6.7%	31,910	2	41,470	4	337,680	\$8.39
2013 4q	1,900	29,640,338	2,044,471	6.9%	59,207	0	0	2	41,470	\$8.29

Source: CoStar Property®





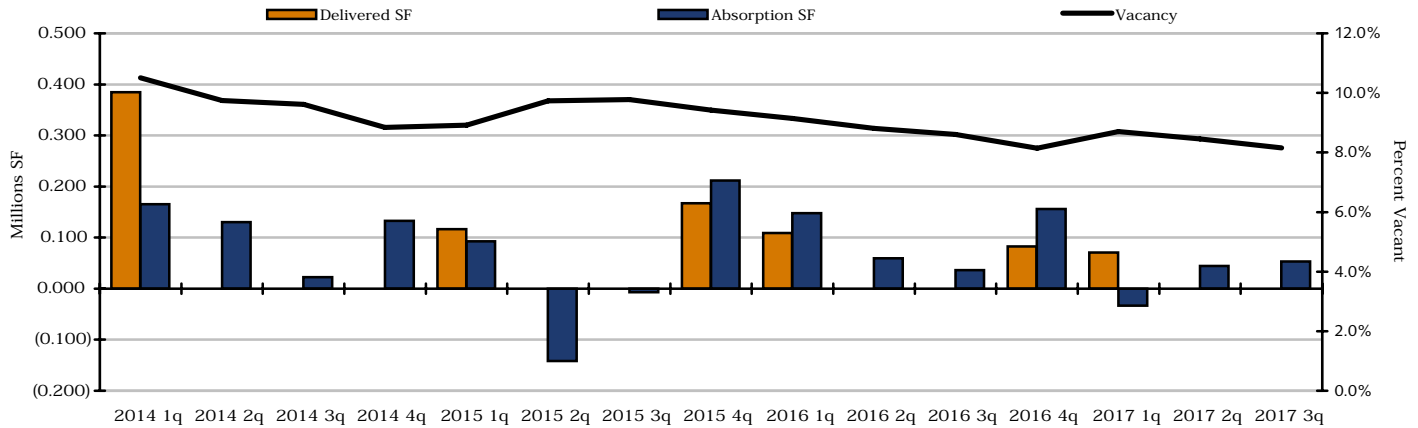
# Broward County Industrial Market

## Southwest Broward Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

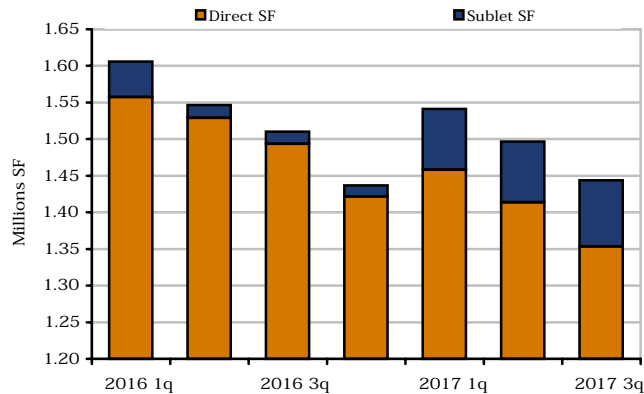
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

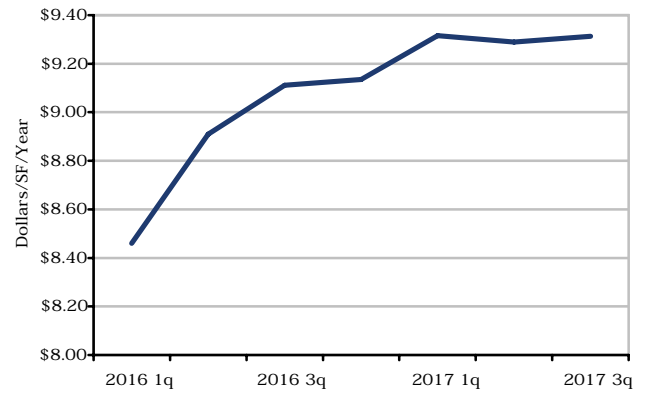
### Historical Analysis, Flex and Warehouse



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	
2017 3q	389	17,712,954	1,443,724	8.2%	53,055	0	0	6	649,807	\$9.31
2017 2q	389	17,712,954	1,496,779	8.5%	44,537	0	0	6	649,807	\$9.29
2017 1q	389	17,712,954	1,541,316	8.7%	(33,521)	1	70,948	5	425,235	\$9.32
2016 4q	388	17,642,006	1,436,847	8.1%	156,155	4	82,697	5	325,810	\$9.14
2016 3q	384	17,559,309	1,510,305	8.6%	36,030	0	0	8	277,705	\$9.11
2016 2q	384	17,559,309	1,546,335	8.8%	59,567	0	0	5	153,645	\$8.91
2016 1q	384	17,559,309	1,605,902	9.1%	147,875	1	108,776	4	82,697	\$8.46
2015 4q	383	17,450,533	1,645,001	9.4%	211,993	1	167,175	5	191,473	\$8.42
2015 3q	382	17,283,358	1,689,819	9.8%	(7,009)	0	0	6	358,648	\$8.31
2015 2q	382	17,283,358	1,682,810	9.7%	(141,808)	0	0	6	358,648	\$8.37
2015 1q	382	17,283,358	1,541,002	8.9%	92,613	1	116,667	5	249,872	\$8.24
2014 4q	381	17,166,691	1,516,948	8.8%	132,944	0	0	2	283,842	\$8.27
2014 3q	381	17,166,691	1,649,892	9.6%	22,551	0	0	1	116,667	\$8.19
2014 2q	381	17,166,691	1,672,443	9.7%	130,351	0	0	1	116,667	\$8.18
2014 1q	381	17,166,691	1,802,794	10.5%	165,441	2	384,718	1	116,667	\$8.13
2013 4q	379	16,781,973	1,583,517	9.4%	(83,854)	1	122,175	2	384,718	\$7.95

Source: CoStar Property®

# Broward County Industrial Market

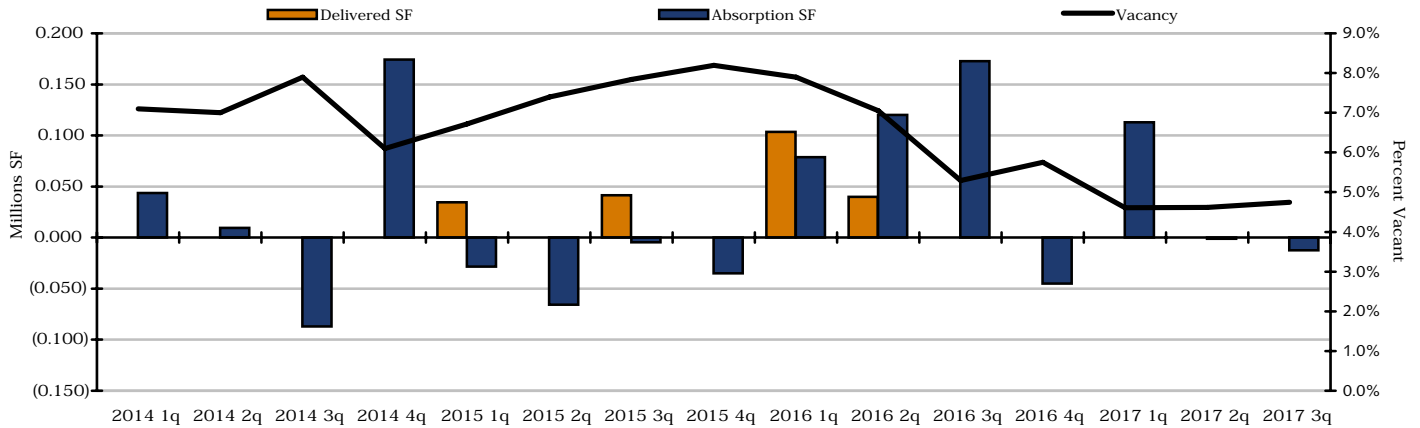


## West Sunrise Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

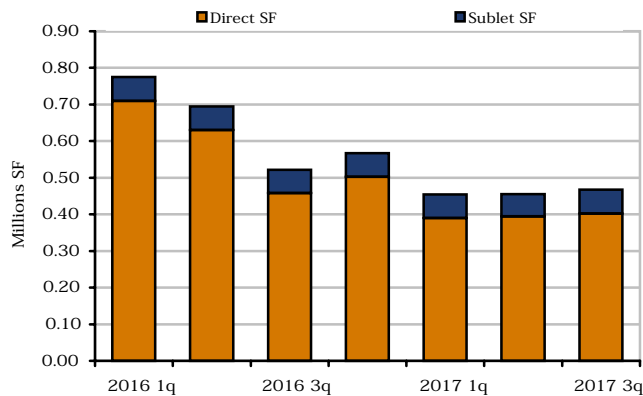
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

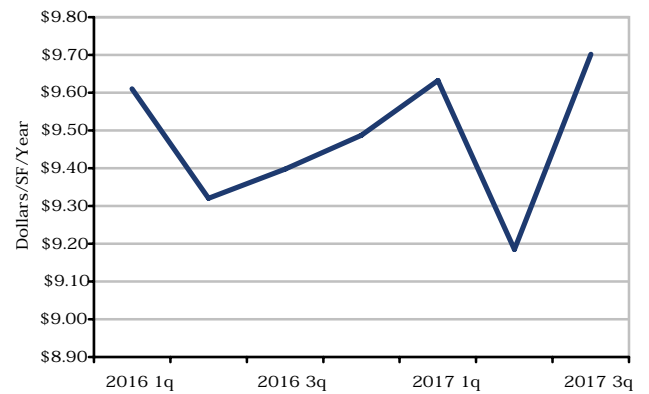
### Historical Analysis, Flex and Warehouse



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	
2017 3q	221	9,855,360	467,641	4.7%	(12,426)	0	0	1	20,000	\$9.70
2017 2q	221	9,855,360	455,215	4.6%	(1,023)	0	0	0	0	\$9.19
2017 1q	221	9,855,360	454,192	4.6%	112,917	0	0	0	0	\$9.63
2016 4q	221	9,855,360	567,109	5.8%	(45,089)	0	0	0	0	\$9.49
2016 3q	221	9,855,360	522,020	5.3%	172,607	0	0	0	0	\$9.40
2016 2q	221	9,855,360	694,627	7.0%	120,231	1	40,000	0	0	\$9.32
2016 1q	220	9,815,360	774,858	7.9%	78,864	1	103,515	1	40,000	\$9.61
2015 4q	220	9,761,942	800,304	8.2%	(34,928)	0	0	2	143,515	\$9.81
2015 3q	220	9,761,942	765,376	7.8%	(4,736)	1	41,580	1	103,515	\$9.49
2015 2q	219	9,720,362	719,060	7.4%	(65,595)	0	0	2	145,095	\$9.26
2015 1q	219	9,720,362	653,465	6.7%	(28,337)	1	34,480	1	103,515	\$11.33
2014 4q	218	9,685,882	590,648	6.1%	174,449	0	0	2	137,995	\$11.41
2014 3q	218	9,685,882	765,097	7.9%	(87,016)	0	0	2	137,995	\$10.83
2014 2q	218	9,685,882	678,081	7.0%	9,487	0	0	0	0	\$11.31
2014 1q	218	9,685,882	687,568	7.1%	43,657	0	0	0	0	\$9.33
2013 4q	218	9,685,882	731,225	7.5%	57,933	0	0	0	0	\$8.77

Source: CoStar Property®