

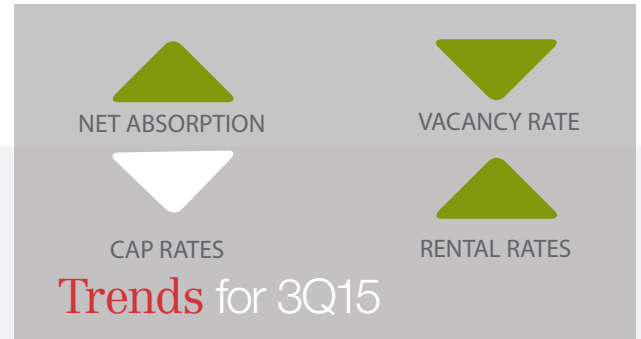
Miami-Dade 3Q15 Industrial Market Report

Source: CoStar Property

The Miami-Dade County Industrial market ended the third quarter with a vacancy rate of 4.7%, which is down over the previous quarter. Net absorption totaled positive 706,060 square feet in the third quarter and vacant sublease space increased in the quarter, ending the quarter at 262,920 square feet. Rental rates ended the third quarter at \$8.77, an increase over the previous quarter. A total of six buildings delivered to the market in the quarter totaling 580,955 square feet, with 599,946 square feet still under construction at the end of the quarter.

Net absorption for the overall Miami-Dade County Industrial market was positive 706,060 square feet in the third quarter. That compares to positive 745,415 square feet in 2Q15, positive 1,357,032 square feet in 1Q15, and positive 877,418 square feet in 4Q14. The Flex building market recorded net absorption of positive 97,184 square feet compared to positive 139,049 square feet in 2Q15, negative (23,569) in 1Q15, and positive 105,218 in 4Q14. The Warehouse building market recorded net absorption of positive 608,876 square feet in the third quarter compared to positive 606,366 square feet in the second quarter of 2015.

The Industrial vacancy rate in the Miami-Dade County market area decreased to 4.7%. It was 4.8% at the end of 2Q15, 5.1% at the end 1Q15, and 5.4% at the end of the fourth quarter of 2014. Flex projects reported a vacancy rate of 6.4% and Warehouse projects reported a vacancy rate of 4.6% at the end of the third quarter 2015.



The average quoted asking rental rate for available Industrial space was \$8.77 per square foot per year at the end of the third quarter. This represented a 1.6% increase in quoted rental rates from the end of the second quarter 2015, when rents were reported at \$8.63 per square foot.

During 3Q15, six buildings totaling 580,955 square feet were completed in the Miami-Dade County market area. This compares to two buildings totaling 189,140 square feet that were completed in 2Q15, six buildings totaling 790,194 square feet completed in the first quarter, and 185,937 square feet in three buildings completed in 4Q14.

Tallying industrial building sales of 15,000 square feet or larger, Miami-Dade County industrial sales figures fell during the second quarter 2015 in terms of dollar volume compared to the first quarter of 2015.

Cap rates have been lower in 2015, averaging 6.48%, compared to the first six months of last year when they averaged 7.47%.

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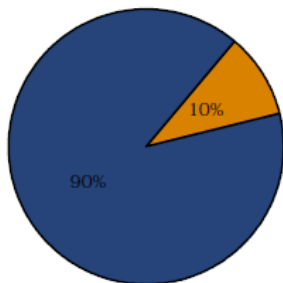
Market Overview:

SUBMARKET	# BLDGS.	TOTAL RBA (SF)	DIRECT AVAILABLE (SF)	TOTAL AVAILABLE (SF)	TOTAL AVAILABLE (%)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
Central Miami Ind	194	3,000,105	107,269	107,269	3.6%	\$8.83	0
East Miami Ind	321	4,293,327	306,642	306,642	7.1%	\$14.20	0
Hialeah Ind	1,666	36,244,160	1,439,988	1,454,570	4.0%	\$6.12	0
Medley Ind	907	31,535,295	1,145,488	1,254,081	4.0%	\$8.21	183,292
Miami Airport Ind	2,072	77,847,314	3,996,243	4,120,058	5.3%	\$9.62	203,281
Miami Lakes Ind	249	11,753,157	779,588	779,588	6.6%	\$7.66	213,373
North Miami Beach Ind	953	31,116,645	1,230,927	1,230,927	4.0%	\$7.30	0
Outlying Miami-Dade Ind	14	210,177	18,505	18,505	8.8%	\$7.78	0
South Central Miami Ind	1,087	13,475,698	783,929	790,859	5.9%	\$15.18	0
South Dixie Hwy Ind	619	8,538,312	565,884	574,884	6.7%	\$10.54	0
Southwest Dade Ind	492	9,792,266	275,582	275,582	2.8%	\$9.78	0
West Miami/Coral Ter Ind	283	4,699,083	81,291	81,591	1.7%	\$15.35	0
MIAMI-DADE	8,857	232,505,539	10,731,336	10,994,256	4.7%	\$8.77	599,946

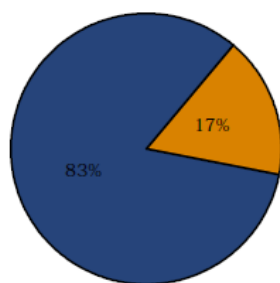
Vacancy by Building Type

Percent of All Vacant Space

Miami-Dade County



United States

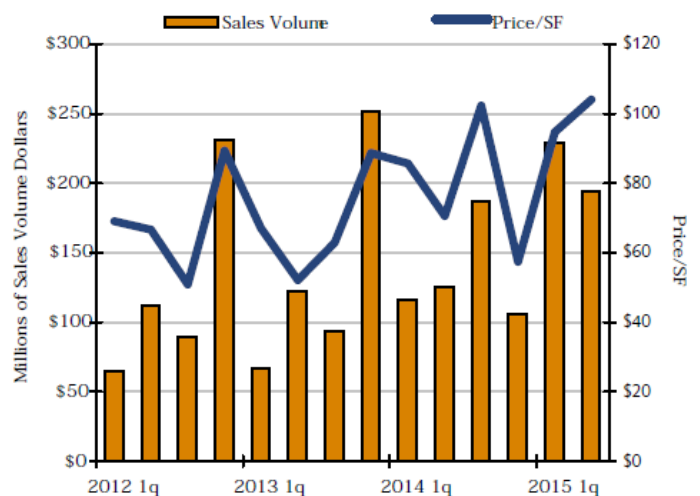


Legend: Flex (orange), Warehouse (blue)

Source: CoStar Property®

Sales Volumes & Price

Based on Building Sales of 15,000 SF & Larger



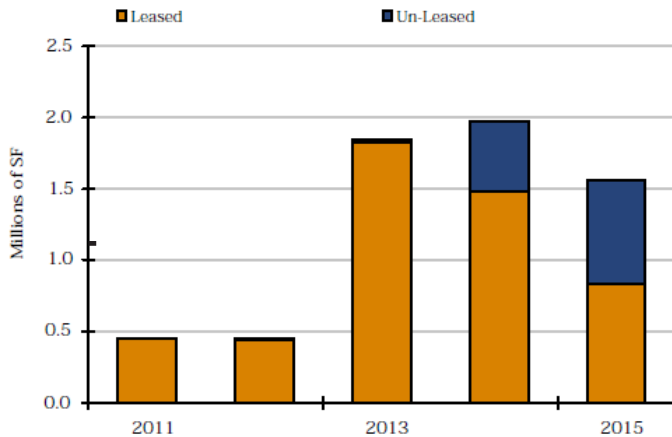
Source: CoStar COMPS®

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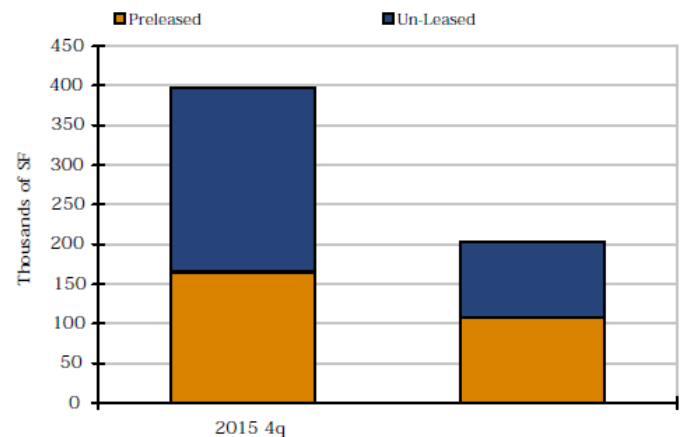
Source: CoStar Property

Recent Deliveries & Future Deliveries:

LEASED & UNLEASED SF
IN DELIVERIES SINCE 2011



PRELEASED & UNLEASED SF
IN PROPERTIES SCHEDULED TO DELIVER



Select Year-to-Date Deliveries

BASED ON PROJECT SQUARE FOOTAGE

IIT Medley - Phase II

Submarket: **Medley Industrial Market**
RBA: **102,018**
Occupied: **0%**
Quoted Rate: **Negotiable**
Grnd Brk Date: **First Quarter 2015**
Deliv Date: **Third Quarter 2015**
Leasing Co: **JLL**
Developer: **N/A**

Flagler Station Building 2 Phase III

Submarket: **Medley Industrial Market**
RBA: **94,941**
Occupied: **100%**
Quoted Rate: **\$6.64**
Grnd Brk Date: **First Quarter 2015**
Deliv Date: **Third Quarter 2015**
Leasing Co: **Flagler Real Estate Services, LLC**
Developer: **N/A**

IIT Medley - Phase III

Submarket: **Medley Industrial Market**
RBA: **88,479**
Occupied: **0%**
Quoted Rate: **Negotiable**
Grnd Brk Date: **First Quarter 2015**
Deliv Date: **Third Quarter 2015**
Leasing Co: **JLL**
Developer: **N/A**

Select Top Sales

BASED ON SALES FROM JULY 2014 - SEPT. 2015

Miami Industrial Trade Center (1-4)



Miami

Price: **\$17,250,000**
Price/SF: **\$111.61**
Cap Rate: **5.8%**
RBA: **154,560**
Date: **9/3/2015**
Year Built: **1996**
Buyer: **Terreno Realty Corporation**
Seller: **TA Realty**

6950 Building



Miami

Price: **\$15,000,000**
Price/SF: **\$70.38**
Cap Rate: **N/A**
RBA: **213,131**
Date: **7/29/2015**
Year Built: **1998**
Buyer: **The Apollo Group, Inc.**
Seller: **Continental Electric, LLC**

2323 NW 82nd Ave



Miami

Price: **\$12,700,000**
Price/SF: **\$85.45**
Cap Rate: **N/A**
RBA: **148,618**
Date: **7/24/2014**
Year Built: **1991**
Buyer: **PS Business Parks, Inc.**
Seller: **AEW Capital Management**