

Miami-Dade 4Q15 Industrial Market Report

Source: CoStar Property

The Miami-Dade County Industrial market ended the fourth quarter of 2015 with a vacancy rate of 4.7%, which was down over the previous quarter. Net absorption totaled positive 901,957 square feet in and vacant sublease space decreased, ending the quarter at 197,610 square feet. Rental rates ended the at \$9.01, an increase over the third quarter. A total of four buildings were delivered to the market totaling 459,805 square feet, with 593,934 square feet still under construction at the end of the fourth quarter.

Net absorption for the overall Miami-Dade County Industrial market was positive 901,957 square feet in the fourth quarter, which compares to positive 859,029 square feet in the third, positive 785,849 square feet in the second quarter, and positive 1,362,448 square feet in the first quarter of 2015. The Flex building market recorded net absorption of positive 38,036 square feet compared to positive 109,567 square feet in the third quarter, positive 139,049 in the second, and negative (23,569) in the first quarter of 2015. The Warehouse building market recorded net absorption of positive 863,921 square feet compared to positive 749,462 square feet in the third, positive 646,800 in the second quarter, and positive 1,386,017 in the first quarter 2015.

The Industrial vacancy rate in the Miami-Dade County market area decreased to 4.7% at the end of the fourth quarter. The vacancy rate was 4.9% at the end of the third quarter, 5.0% at the end of the second, and 5.3% at the end of the first quarter 2015. Flex projects reported a vacancy rate of 5.9% at the end of the fourth



quarter, 6.1% at the end of the third, 6.7% at the end of the second quarter, and 7.5% at the end of the first quarter 2015. Warehouse projects reported a vacancy rate of 4.6% at the end of the fourth quarter, 4.8% at the end of third quarter, 4.9% at the end of the second quarter, and 5.2% at the end of the first quarter 2015.

The average quoted asking rental rate for available Industrial space was \$9.01 per square foot per year at the end of the fourth quarter 2015 in the Miami-Dade County market area. This represented a 3.0% increase in quoted rental rates from the end of the third quarter 2015, when rents were reported at \$8.75 per square foot. The average quoted rate within the Flex sector was \$14.12 per square foot at the end of the fourth quarter 2015, while Warehouse rates stood at \$8.66. At the end of the third quarter 2015, Flex rates were \$13.32 per square foot, and Warehouse rates were \$8.44.

During the fourth quarter 2015, four buildings totaling 459,805 square feet were completed in the Miami-Dade County market area. This compares to seven buildings totaling 590,937 square feet that were completed in the third quarter, two buildings totaling 189,140 square feet completed in the second, and 790,194 square feet in six buildings completed in the first quarter 2015.

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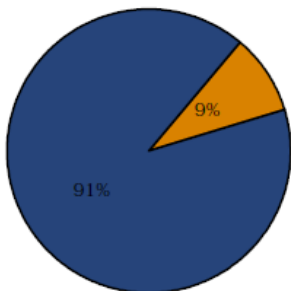
Total Market Overview:

SUBMARKET	# BLDGS.	TOTAL RBA (SF)	DIRECT AVAILABLE (SF)	TOTAL AVAILABLE (SF)	TOTAL AVAILABLE (%)	TOTAL AVERAGE RATE (\$/SF/YR)	UNDER CONSTRUCTION (SF)
Central Miami Ind	195	3,024,524	123,211	123,211	4.1%	\$9.49	0
East Miami Ind	324	4,292,933	284,268	284,268	6.6%	\$15.15	0
Hialeah Ind	1,670	36,242,670	1,514,774	1,529,356	4.2%	\$6.22	0
Medley Ind	907	31,569,931	913,823	1,022,416	3.2%	\$8.16	593,934
Miami Airport Ind	2,058	78,038,216	3,628,972	3,685,477	4.7%	\$9.79	0
Miami Lakes Ind	251	11,966,530	933,299	933,299	7.8%	\$7.63	0
North Miami Beach Ind	953	31,049,590	1,160,064	1,230,927	3.7%	\$7.38	0
Outlying Miami-Dade Ind	14	210,177	18,505	18,505	8.8%	\$7.78	0
South Central Miami Ind	1,086	13,485,602	1,220,882	1,220,882	9.1%	\$17.07	0
South Dixie Hwy Ind	620	8,526,627	491,197	500,197	5.9%	\$10.47	0
Southwest Dade Ind	493	9,818,343	296,847	296,847	3.0%	\$9.82	0
West Miami/Coral Ter Ind	284	4,715,174	90,090	90,090	1.9%	\$13.84	0
MIAMI-DADE	8,855	232,940,317	10,675,932	10,873,542	4.7%	\$9.01	593,934

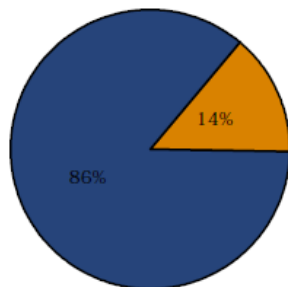
Vacancy by Building Type

Percent of All Vacant Space

Miami-Dade County



United States

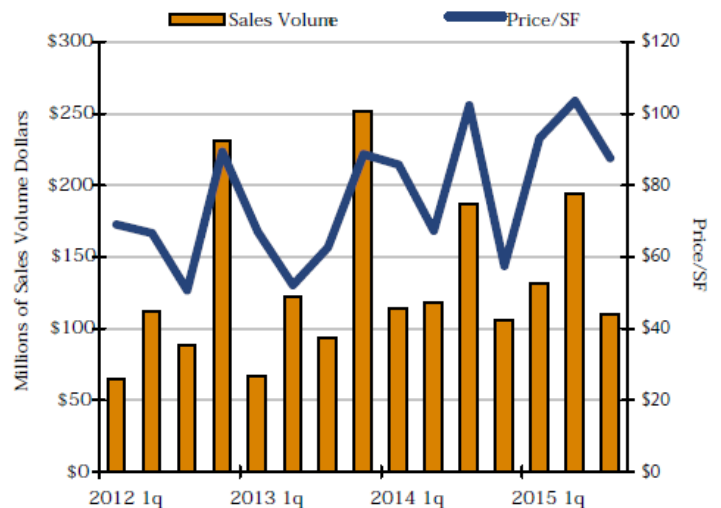


Legend: Flex (orange), Warehouse (blue)

Source: CoStar Property®

Sales Volumes & Price

Based on Building Sales of 15,000 SF & Larger



Source: CoStar COMPS®