State of Florida Industrial
MarketView

Q4 2012

CBRE Global Research and Consulting

VACANCY	ASKING RATE	ABSORPTION	CONSTRUCTION	COMPLETIONS	UNEMPLOYMENT
9.1%	$4.95	2,245 K	1,941 K	653 K	7.9%

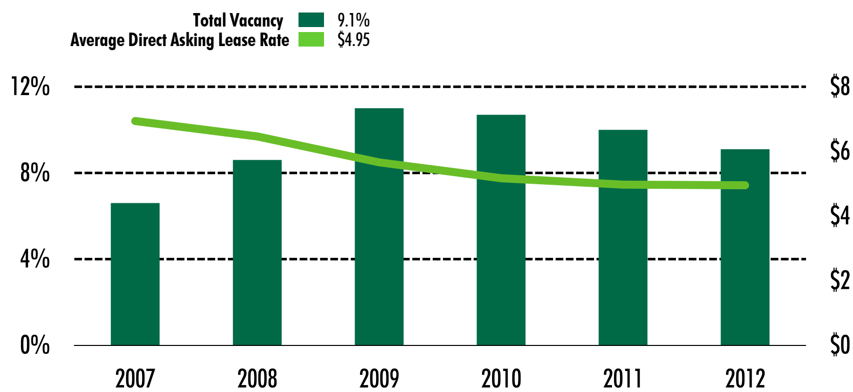
Arrows reflect year-over-year trends

ANNUAL ABSORPTION TOPS 9 MSF, SINGLE-DIGIT VACANCY AT 9.1% AND ALMOST 2 MSF UNDER CONSTRUCTION

Hot Topics

- 2012 sales increased 58% over 2011 sales with price per square footage also increasing from $56 PSF in 2011 to $65 PSF in 2012.
- Over 210,000 more Floridians were employed in a year-over-year comparison, bringing our statewide unemployment to 7.9%.
- Construction activity increased with many speculative projects underway in South Florida while Central Florida is seeing more build-to-suits.
- 2012 absorption more than doubled the 4.5 MSF recorded in 2011 with Miami accounting for almost 30% of this years' absorption.
- Manufacturing vacancy stands at 7.5%, R&D/flex vacancy stands at 13.0% and warehouse/distribution vacancy stands at 9.1%.

Total Vacancy -vs- Average Direct Asking Lease Rate (NNN)



Source: CBRE Research

Leasing Activity

As we close 2012, total vacancy stands at 9.1%, dropping 110 basis points during 2012 and over 170 basis points since year-end 2010. Aiding this total vacancy is the decline of sublease space across the state. There remains 1.2 MSF of vacant sublease space, this is a 78% decline since hitting a peak at the start of 2010 when there was over 5.4 MSF of vacant sublease space. The Orlando market is currently reporting the most sublease space, with just under 350,000 SF vacant followed closely by Tampa Bay, reporting 250,000 SF of vacant sublease space. Miami, representing 29% of all rentable square footage in Florida, continued to post the lowest total vacancy at 5.8%, dropping 460 basis points since hitting its' peak in 2010. The Airport/Doral submarket saw 3.7 MSF of leasing activity in 2012, while the Medley and North Central Dade submarkets each saw approximately 1.5 MSF of activity respectively throughout the year. Orlando, with over 105 MSF of rentable square footage and accounting for 15% of total rentable space in Florida, reported the highest total vacancy, at 13.2%. This is a 250 basis point decline year over year, making it the most improved market of 2012.

Fourth quarter absorption totaled almost 2.3 MSF, bringing total absorption of Florida industrial space to over 9.3 MSF at the close of 2012. This marks the first year since the start of the recession with all Florida markets recording positive absorption. Tampa Bay was the only market to post negative absorption during fourth quarter as a handful of tenants left the market, but Tampa Bay ended 2012 with almost 750,000 SF of positive absorption.

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Market Statistics

Submarket	Building SF	Total Vacancy (%)	Total Availability (%)	Qtrly Net Absorption	2012 Net Absorption	Under Construction	Avg Dir Asking Lse Rate (NNN)
Miami	208,814,201	5.8	9.8	537,937	2,485,616	1,079,802	$5.07
Broward	93,388,822	7.8	12.5	59,212	575,336	264,074	$6.64
Palm Beach	44,998,586	8.5	12.0	198,066	660,190	0	$6.29
Tampa Bay	134,981,958	9.5	13.6	421,560	545,598	35,519	$5.07
Polk	34,556,058	12.5	17.8	(151,137)	743,821	562,000	$4.06
Orlando	105,914,163	13.2	17.2	440,046	3,021,780	0	$4.49
Jacksonville	97,622,948	11.1	16.3	739,202	1,310,172	0	$3.86
Total State of Florida	**720,276,736**	**9.1**	**13.3**	**2,244,886**	**9,342,513**	**1,941,395**	**$4.95**
Total South Florida	347,201,609	6.7	10.8	795,215	3,721,142	1,343,876	$5.73
Total North Florida	373,075,127	11.3	15.7	1,449,671	5,621,371	597,519	$4.45

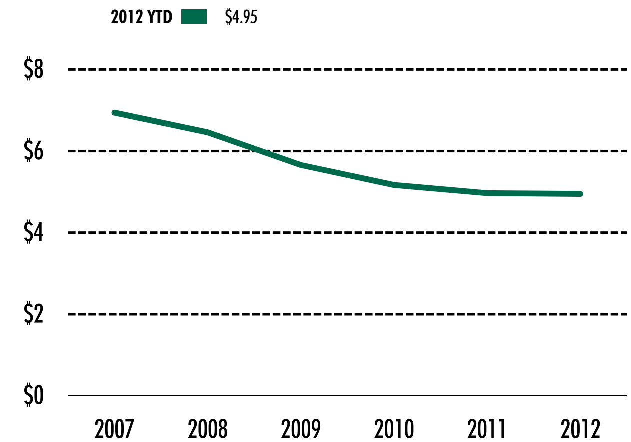
Miami continues to be the strongest market with 2012 absorption totaling almost 2.5 MSF. When combined with annual absorption totals from 2011 and 2010, Miami has recorded over 10.8 MSF of positive movement in the past three years. Also trending with positive annual absorption and representing 13.6% of the state's rentable industrial space is Jacksonville, with over 1.5 MSF in the past two years. Three markets reversed their negative absorption standing from 2011 by reaching and exceeding their deficit. These markets include: Palm Beach County, Tampa Bay and Orlando.

Overall average asking lease rates ticked in at $4.95 PSF NNN, continuing their decline but losing less than 1% year-over-year. Average asking rate declines have slowed when compared to the 3.5% decline from 2010 to 2011 and the 9% drop from 2009 to 2010. The South Florida markets are averaging a higher rate of $5.73 PSF NNN while North Florida is averaging $4.45 PSF NNN. A greater variance is evident with individual markets and submarkets. Mirroring the declining vacancy, Miami posted an increase of $0.55 PSF since fourth quarter 2011. Polk County declined the most, dropping $0.77 PSF in the same year over year comparison, highlighting the continued inconsistent trends quarter over quarter. The highest priced submarkets include; Miami's Miami Lakes submarket at $9.92 IG, Broward's Southwest Broward submarket at $7.22 NNN, Palm Beach County's Boca Raton submarket at $8.93 NNN, Tampa Bay's North Pinellas submarket at $7.73 NNN, Polk's West Polk at $4.29 NNN, Orlando's NE Orange County at $6.94 NNN and Jacksonville's Beaches submarket at $10.54 NNN. We are starting to see increases in select submarkets as available space tightens and we are witnessing the tightening of concessions by landlords. Each market has one or more submarkets with little vacant space. Submarkets with the lowest vacancy include: Miami's Kendall/Tamiami at 2.2%, Broward's Southeast Broward at 5.7%, Palm Beach County's West Palm Beach at 6.8%, Tampa Bay's Southwest Tampa at 3.1%, Polk County's West Polk at 6.3%, Orlando's NE Orange County at 6.8% and Jacksonville's Westside at 6.1%.

Sales Activity

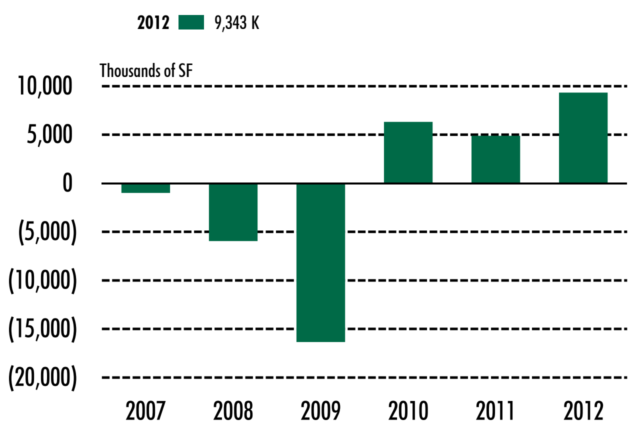
Fourth quarter brought a flurry of activity across the state of Florida, with over 5 MSF trading hands in over 40 transactions. At the close of 2012, over 160 sales have been recorded, totaling 22.4 MSF with a volume exceeding $1.4 billion. Miami lead the state with 63 sales throughout the year with volume in excess of $760 million. Miami also takes the top spot with the highest average per square footage rate of $79 and the lowest cap rate of 6.8%. Liberty Property Trust commanded the largest fourth quarter deal with a 12-property, 1.2 MSF portfolio of properties in Tampa Bay and Polk County. They were sold by Prologis for $74 million or $62 PSF. Jacksonville recorded the largest single building sale when Global Income Trust purchased the 817,680 SF Samsonite Warehouse at 10480 Yeager Road for $42.5 million or $52 PSF. The largest transaction of 2012 was the portfolio sale of Flagler Station in Miami. AEW Capital Management acquired the portfolio from Flagler Development for $340 million. The sale included 32 industrial buildings totaling approximately 4.2 MSF.

Average Dir Asking Lease Rates (NNN)



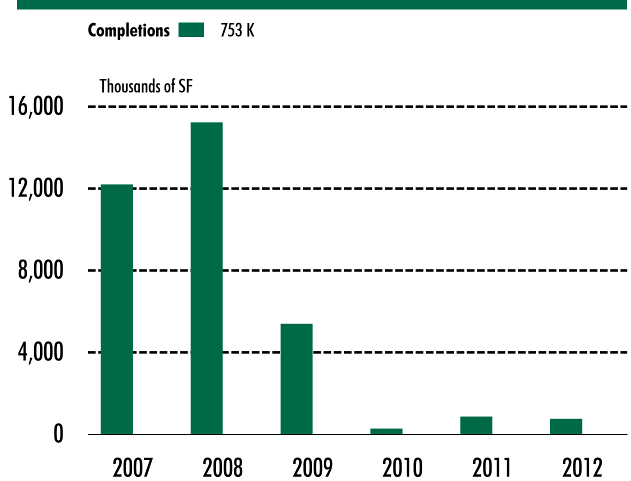
Source: CBRE Research

Net Absorption



Source: CBRE Research

Completions



Source: CBRE Research

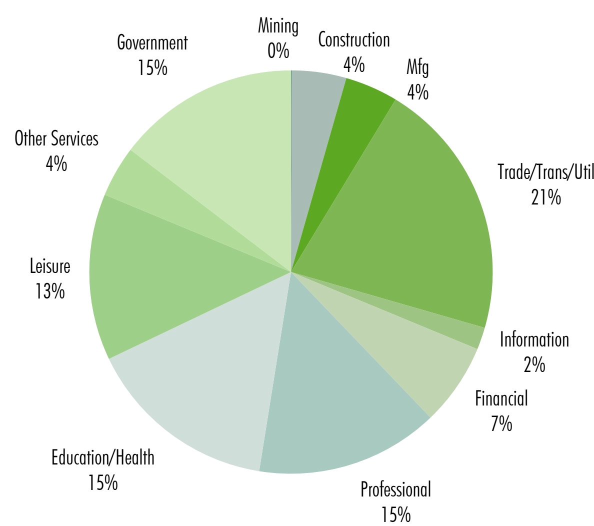
Development

2012 witnessed the return of construction as five Florida markets became active with new development. Between 2010 and 2011 a total of 11 properties delivered 1.3 MSF in five Florida markets. In 2012, seven properties delivered, contributing 750,000 SF, predominately warehouse/distribution space. The largest delivery was a 300,000 SF build-to-suit for Rooms to Go in Polk County, which delivered during third quarter. As we closed 2012, 14 properties totaling almost 2 MSF remained under construction in four Florida markets. Leading the state by largest under construction square footage was Miami, with 9 properties totaling 1.1 MSF, all in various stages of construction, with news of additional projects about to commence. The largest property under construction is the 562,000 SF build-to-suit by Publix in Polk County. All properties currently under construction are warehouse/distribution properties, which already account for almost 75% of all Florida inventory, which stands at 9.1% vacant.

Economic Influence

Florida's unemployment rate stands at 7.9% for November 2012, a 200 basis point decline year-over-year. Florida ranked second, after North Carolina, in largest over-the-month increase in employment with 24,500 jobs. Florida also ranked third in largest year-over-year drops in unemployment, dropping 200 basis point, behind Nevada posting a 240 basis point decline and Mississippi posting a 210 basis point decline.

Below is how the State of Florida job sectors breakout as of November 2012:



The trade/transportation/utilities sector accounts for the most employee in Florida, representing 21% or 1.5 million workers. Professional/business services and education/healthcare sectors each account for 15% or over one million workers in each sector.

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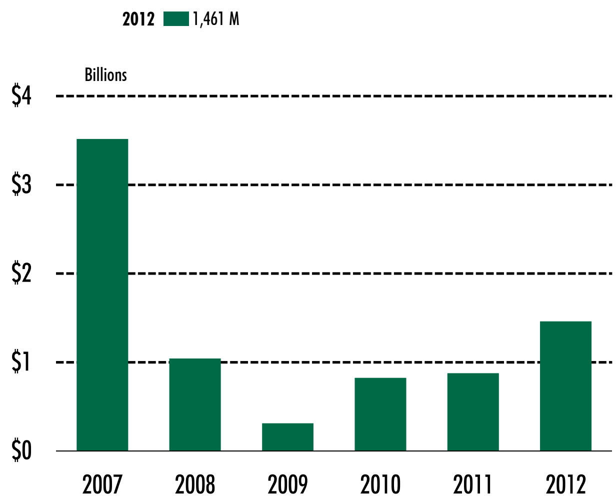
Q4 2012 Sales

Market	Building SF	Buyer	Property/Address/City	Sales Price
Tampa Bay	829,292	Liberty Property Trust	Sabal Park, Tampa	$50,599,306
Jacksonville	817,680	Stockbridge Global Income Trust	Samsonite Warehouse, Jacksonville	$42,500,000
Broward	377,842	Fields Realty	Carls Furniture/6806 N State Road 7, Pompano Beach	$12,695,350
Broward	289,300	Industrial Income Trust	Mirimar B/11500 Miramar Parkway, Fort Lauderdale	$36,500,000
Miami	220,000	Genet Property Group	10700-10918 SW 188th Street, Miami	$9,000,000
Miami	209,000	UBS	B/E Aerospace/10000 NW 15th Terrace, Miami	$26,000,000
Tampa Bay	174,259	Liberty Property Trust	Tampa Airport Distribution Center, Tampa	$10,632,424
Broward	118,453	MS International	Graebel Building/2900 SW 15th Avenue, Deerfield Beach	$10,400,000
Jacksonville	116,278	Colo5	Enterprise Data Operations/4800 Spring Park Road, Jacksonville	$4,306,150
Tampa Bay	109,264	Liberty Property Trust	Tampa East, Tampa	$6,666,750
Polk	100,000	Liberty Property Trust	Lakeland Interstate Business Park/1770 Interstate Drive, Lakeland	$6,101,507

Source: Real Capital Analytics

Sales Volume



2012	# Deals	Total SF	Volume	$ PSF	Cap Rate
Miami	63	9,691,918	$764,309,418	$79	6.8%
Broward	28	2,003,767	$158,956,980	$79	8.0%
Palm Beach	14	678,528	$45,033,250	$66	N/A
Tampa Bay	23	3,328,709	$178,222,774	$54	8.5%
Polk	4	1,034,990	$42,330,000	$41	8.0%
Orlando	16	3,235,526	$159,521,000	$49	7.7%
Jacksonville	13	2,384,828	$112,348,529	$47	N/A
State of Florida	**161**	**22,358,266**	**$1,460,721,952**	**$65**	**7.7%**

Outlook

Momentum in 2012 increased and all indicators point to further improvements in 2013. Helping to fuel the economy, Florida has many projects underway that have immediate and lasting impacts across the State. The Panama Canal expansion project impacts Florida as dredging continues at the Port of Miami and JAXPORT to accommodate these larger TEU containers. Upon completion and utilization, there will be a rippling impact across all ports in Florida. CSX has projects in Tampa Bay and Polk County that will increase rail capacity and distribution methods. The SunRail project in Orlando continues to move forward with completion set for 2014 to begin rail service on its phase 1 31-mile stretch.

Market conditions pointing towards continued market improvement include; vacancy continuing it's descend, buoyed by huge annual absorption, and stabilized asking rates-seeing increases in several submarkets. User and investor sales are on the rise with increasing volume and higher per square foot rate and employment statistics across the state have drastically improved through the year. These logistic and infrastructure improvements coupled with the improving market conditions have CBRE professionals confident the lingering effects of our recession are behind us as look forward to a bright 2013.

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Q4 2012 Leases

Market	Transaction SF	Tenant	Property/Address
Jacksonville	196,840	SanMar	San Mar Distribution Facility/10940 New Kings Road, Jacksonville
Polk	105,638	Colo5	Lakeland Interstate Business Park/2850 Interstate Drive, Lakeland
Tampa Bay	101,000	Metal Industries	1310 N Hercules Avenue, Clearwater
Miami	94,467	UTI Worldwide	Beacon Lakes Building 6/12200 NW 25th Street, Miami
Orlando	91,530	Signature Systems Group	Sweet Paper Sales/350 Central Florida Parkway, Orlando
Polk	79,800	Commercial Warehousing	501 McKean Street, Auburndale
Tampa Bay	76,567	Empire Today	Sabal Building 100/9319 Peach Palm Avenue, Tampa
Orlando	75,900	Southern Electric Supply Company	Orlando Corporate Center 600/7445 Southland Boulevard, Orlando
Miami	70,000	University of Miami	Medley Industrial Center/6891 NW 74th Street, Medley
Broward	62,420	TMV Productions	Prospect Park III Meter Made/5535-5545 NW 35th Avenue, Fort Lauderdale
Miami	66,480	Town Air Freight	Doral International Corporate Park/1530 NW 98th Court, Miami
Tampa Bay	59,993	Central Pipe & Supply	Tampa East/1801-1803 Massaro Boulevard, Tampa
Miami	58,104	Relogistics Services	International Corporate Park 1/9905 NW 17th Street, Miami

2012 Deliveries

Market	Property	City	Submarket	Building SF	Vacancy %	Average Asking Rate
Polk	Rooms To Go Distribution Center/1480 Airport Road	Lakeland	West Polk	300,000	0.0	N/A
Miami	Beacon Lakes Building 13/12650 NW 25th Street	Miami	Airport/Doral	189,906	26.3	$9.25 IG
Orlando	Southridge Commerce Park 11/2252 Commerce Park Dt	Orlando	Southwest Orange	87,814	74.9	Negotiable
Orlando	Southridge Commerce Park IX/2354 Commerce Park	Orlando	Southwest Orange	76,158	27.3	Negotiable
Polk	4070 S Pipkin Road	Lakeland	West Polk	59,200	100.0	$4.50 NNN
Orlando	6651 Narcoossee Road	Orlando	Southeast Orange	27,600	93.8	$8.35 MG
Tampa Bay	1988 Tampa East Boulevard	Tampa	East Tampa	12,160	0.0	N/A

Under Construction as of 12/31/2012

Under Construction	Property	City	Submarket	Building SF	Average Asking Rate
Polk	Publix/3050 New Tampa Highway	Lakeland	West Polk	562,000	N/A
Miami	KTR Miami International Distribution Center/1900 NW 132nd Place	Miami	Airport/Doral	335,730	Negotiable
Broward	Miramar Centre Business Park A/15701 SW 29th Street	Miramar	Southwest Broward	264,074	$7.00 NNN
Miami	ITT/10733 NW 123rd Street	Medley	Medley	185,520	Negotiable
Miami	Flagler Station Building 30/10315 NW 112th Avenue	Miami	Medley	171,680	$8.50 IG
Miami	Pan American West Business Park/1801 NW 135th Avenue	Doral	Airport/Doral	167,200	$9.25 IG
Tampa Bay	Garba Industrial/4915 Denver Street	Tampa	East Tampa	20,159	N/A
Miami	Silver Palms Business Center C/13400 NW 38th Center	Opa Locka	North Central Dade	16,355	N/A
Tampa Bay	7040 Anderson Road	Tampa	Northwest Tampa	15,360	N/A
Miami	Silver Palms Business Center B/13400 NW 38th Center	Opa Locka	North Central Dade	14,630	N/A
Miami	10851 NW 24th Street	Doral	Airport/Doral	10,812	N/A
Miami	Silver Palms Business Center A/13400 NW 38th Center	Opa Locka	North Central Dade	10,675	N/A

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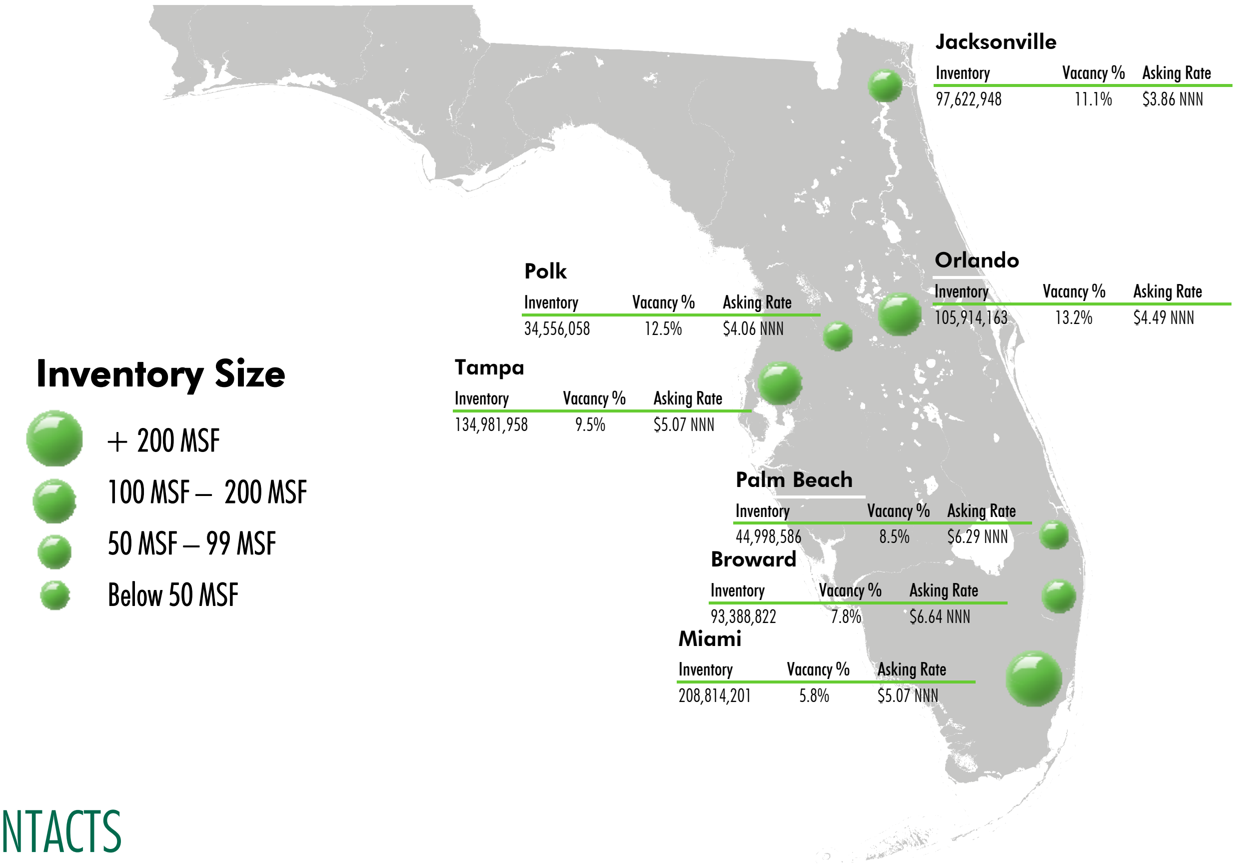

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