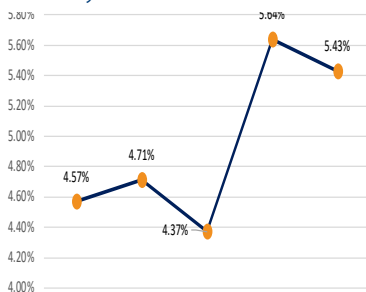


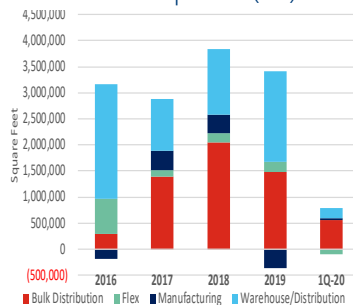
Tampa Bay

First quarter statistics serve as an indicator of the Tampa Bay industrial market's position prior to the COVID-19 crisis, which began to unfold locally with widespread social distancing measures in March. The leasing and sales environment has changed dramatically since that time, and those impacts will begin to materialize in the data in the second quarter.

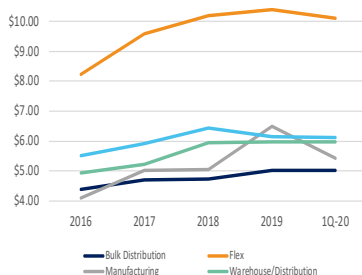
Vacancy Rate



YTD Net Absorption (SF)



Average Asking Rent Rate (\$/SF/NNN)



Strong Leasing to E-Commerce, Distribution and Logistics Tenants Leads to Solid Absorption During 1Q-2020

- Year-over-year vacancy for the period ending with 1Q-2020 is up only 119 basis points, which is notable given that 5.7 million sf of new industrial space has delivered during that time.
- The largest investment sales during the first quarter were the acquisition of Hampton Oaks Business Park by Albany Road RE Partners on the East Side for \$36.6 million, or \$141 per sf, and Denholtz Associates' purchase of Thompson Center Waters in the Airport/Westshore submarket for \$26.5 million, or \$117 per sf.
- The Coca-Cola Company has plans to build a massive \$300 million, 1.4 million-sf manufacturing and distribution facility in the Brandon area of the I-75 Corridor. The rezoning request for the 158-acre

site was approved in March for an 800,000 sf warehouse and a 600,000-sf manufacturing facility, and the land is also zoned for 425,000 square feet of commercial uses including retail, hotel and office space.

- Leasing activity during the first quarter was strong with 10 deals closed that were 100,000 sf or greater (including several renewals), and solid leasing interest among e-commerce and 3PL companies persisted heading into the second quarter.
- Rental rate growth continued to accelerate over the last year, with bulk distribution rents rising 4.2% for the 12-month period ending 1Q-2020 and warehouse rents rising 1.8%.

Trends to Watch



Supply and Demand

Systemic weakness in the retail sector and surging e-commerce demand could strain the industrial supply chain, creating the need for additional distribution and warehouse facilities.



Changing Footprints

New distribution centers along the I-4 Corridor are getting bigger in order to accommodate the growing needs of e-commerce tenants.



Steady Demand in Lakeland

Robust demand for logistics facilities is fueling growth in Lakeland, where total industrial inventory has grown by 16% in the last 3 years.

160.1 MSF

Total inventory in the Tampa Bay industrial market

690,288 SF

Direct Y-T-D net absorption as of 1Q-2020

5.43%

Overall Vacancy

\$5.57/SF/NNN

Average rental rate for industrial space (excluding flex)

TAMPA BAY MSA TOTAL

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	30,534,379	\$5.02	2,561,539	91.61%	8.39%	0.88%	9.27%	2,031,781	555,000
Flex	15,654,068	\$10.10	983,234	93.72%	6.28%	0.73%	7.02%	0	(91,340)
Manufacturing	28,469,917	\$5.43	774,491	97.28%	2.72%	0.04%	2.76%	290,000	38,762
Warehouse / Distribution	85,428,771	\$5.98	3,630,579	95.75%	4.25%	0.40%	4.65%	799,180	187,866
Market Total	160,087,135	\$6.13	7,949,843	95.03%	4.97%	0.46%	5.43%	3,120,961	690,288

HILLSBOROUGH COUNTY

Airport/Westshore

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	0	\$0.00	0	0.00%	0.00%	0.00%	0.00%	0	0
Flex	3,950,136	\$10.09	218,872	94.46%	5.54%	0.39%	5.93%	0	(33,110)
Manufacturing	1,210,732	\$0.00	0	100.00%	0.00%	0.00%	0.00%	290,000	0
Warehouse / Distribution	8,082,305	\$7.30	163,676	97.97%	2.03%	0.06%	2.09%	0	(33,232)
Airport/Westshore Total	13,243,173	\$8.90	382,548	97.11%	2.89%	0.15%	3.04%	290,000	(66,342)

Downtown Tampa

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	550,094	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Flex	154,776	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Manufacturing	832,171	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Warehouse / Distribution	3,568,519	\$4.19	134,348	96.24%	3.76%	1.19%	4.96%	178,387	(5,174)
Downtown Tampa Total	5,105,560	\$4.19	134,348	97.37%	2.63%	0.83%	3.47%	178,387	(5,174)

East Side

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	9,123,316	\$4.98	1,039,768	88.60%	11.40%	1.71%	13.11%	0	115,000
Flex	3,556,572	\$10.81	211,809	94.04%	5.96%	0.14%	6.10%	0	(43,243)
Manufacturing	5,427,141	\$4.13	60,241	98.89%	1.11%	0.20%	1.31%	0	25,620
Warehouse / Distribution	31,356,146	\$6.07	1,487,118	95.26%	4.74%	0.68%	5.42%	175,918	(96,301)
East Side Total	49,463,175	\$5.98	2,798,936	94.34%	5.66%	0.78%	6.44%	175,918	1,076

North Hillsborough

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	0	\$0.00	0	0.00%	0.00%	0.00%	0.00%	0	0
Flex	1,087,118	\$9.39	103,285	90.50%	9.50%	0.00%	9.50%	0	6,023
Manufacturing	718,886	\$12.00	27,200	96.22%	3.78%	0.00%	3.78%	0	24,400
Warehouse / Distribution	1,165,406	\$12.05	1,375	99.88%	0.12%	0.00%	0.12%	0	0
North Hillsborough Total	2,971,410	\$9.95	131,860	95.56%	4.44%	0.00%	4.44%	0	30,423

Plant City/East Hillsborough

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	3,124,570	\$5.40	166,163	94.68%	5.32%	0.00%	5.32%	1,318,438	0
Flex	133,363	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Manufacturing	2,338,697	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Warehouse / Distribution	6,871,065	\$5.17	655,046	90.47%	9.53%	0.00%	9.53%	0	168,451
Plant City/E Hillsborough Total	12,467,695	\$5.21	821,209	93.41%	6.59%	0.00%	6.59%	1,318,438	168,451

South Tampa

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	679,129	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Flex	60,681	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Manufacturing	542,291	\$6.25	35,000	93.55%	6.45%	0.00%	6.45%	0	0
Warehouse / Distribution	1,090,668	\$6.37	83,376	92.36%	7.64%	0.00%	7.64%	0	0
South Tampa Total	2,372,769	\$6.33	118,376	95.01%	4.99%	0.00%	4.99%	0	0

PINELLAS COUNTY

Mid-Pinellas/Gateway

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	112,722	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Flex	4,190,293	\$10.12	357,750	91.46%	8.54%	0.29%	8.83%	0	10,414
Manufacturing	11,528,243	\$5.22	629,368	94.54%	5.46%	0.00%	5.46%	0	(19,173)
Warehouse / Distribution	13,599,449	\$6.93	466,004	96.57%	3.43%	0.59%	4.01%	0	32,360
Mid-Pinellas/Gateway Total	29,430,707	\$6.97	1,453,122	95.06%	4.94%	0.31%	5.25%	0	23,601

North Pinellas

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	0	\$0.00	0	0.00%	0.00%	0.00%	0.00%	0	0
Flex	1,466,463	\$13.64	19,626	98.66%	1.34%	0.97%	2.31%	0	(6,977)
Manufacturing	1,418,541	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Warehouse / Distribution	3,690,447	\$6.65	6,980	99.81%	0.19%	0.00%	0.19%	0	8,645
North Pinellas Total	6,575,451	\$11.81	26,606	99.60%	0.40%	0.22%	0.62%	0	1,668

South Pinellas

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	350,000	\$0.00	0	100.00%	0.00%	0.00%	0.00%	0	0
Flex	246,844	\$7.50	12,656	94.87%	5.13%	27.64%	32.77%	0	0
Manufacturing	1,679,318	\$5.50	19,682	98.83%	1.17%	0.00%	1.17%	0	7,915
Warehouse / Distribution	5,500,500	\$6.95	162,256	97.05%	2.95%	0.00%	2.95%	0	6,057
South Pinellas Total	7,776,662	\$6.84	194,594	97.50%	2.50%	0.88%	3.38%	0	13,972

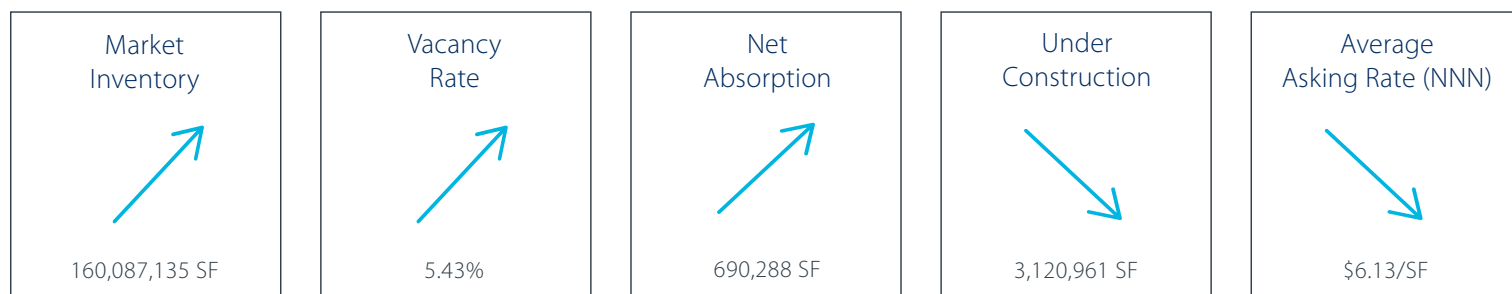
LAKELAND

Lakeland

Class Breakdown	Total RSF	Lease Rate	Direct Vacant SF	Occupancy	Direct Vacancy	Sublet Vacancy	Total Vacancy	Under Construction	YTD Absorption
Bulk Distribution	16,594,548	\$5.00	1,355,608	91.83%	8.17%	0.67%	8.84%	713,343	440,000
Flex	807,822	\$8.04	59,236	92.67%	7.33%	0.00%	7.33%	0	(24,447)
Manufacturing	2,773,897	\$6.20	3,000	99.89%	0.11%	0.00%	0.11%	0	0
Warehouse / Distribution	10,504,266	\$5.52	470,400	95.52%	4.48%	0.00%	4.48%	444,875	107,060
Lakeland Total	30,680,533	\$5.22	1,888,244	93.85%	6.15%	0.37%	6.52%	1,158,218	522,613

Reporting Methodology: This report includes all industrial buildings and parks 20,000 SF and greater in the Tampa-Bay MSA that are not government owned. All rents are reported on a triple-net basis. The information in this report has been collected by the Avison Young research team via sources that are deemed reliable but not guaranteed.

Leading Indicators (Y-O-Y 1Q-2019 to 1Q-2020)



Significant First Quarter 2020 Lease Transactions - Sorted by SF

Tenant	Property	Type	SF	Submarket
Quaker Foods	CenterState Logistics Park 3	New	440,000	Lakeland
USPS*	Port Ybor	Renewal	281,600	Downtown Tampa
Fanatics Licensed Sports Group	Oak Creek	Renewal	222,000	East Side
Star Distribution	5060 Great Oak Dr	Renewal	200,000	Lakeland
IEH Auto Parts	Hopewell Industrial Center	Extension/Expansion	184,794	East Side
ID Logistics	Gateway Business Park	Renewal	158,836	Mid-Pinellas/Gateway
Fanatics License Sporting Group, LLC	4408 W Linebaugh Ave	Renewal	126,270	Airport/Westshore
Hardware Resources, Inc.	County Line Logistics Center 3	New	119,567	Plant City/East Hillsborough
Amazon.com	13133 34th St N	New	106,000	Mid-Pinellas/Gateway
RJ Schinner*	Madison Industrial Park	Renewal	100,000	East Side
Stryker Sustainability Solutions	3115/3125 Drane Field Road	Renewal	60,800	Lakeland
GA Foods	14450 62nd St	New	60,000	Mid-Pinellas/Gateway

*Avison Young handled this transaction

Significant First Quarter 2020 Sales Transactions - Sorted by Sale Price

Property	SF	Sale Price	Price/SF	Cap Rate	Buyer	Submarket
Hampton Oaks Business Park	259,042	\$36,650,000	\$141	NA	Albany Road RE Partners	East Side
Thompson Center Waters	225,651	\$26,500,000	\$117	NA	Denholtz Associates	Airport/Westshore
5300 E Adamo Dr	120,873	\$15,925,000	\$132	5.78%	KKR	East Side
Avistone Portfolio	231,726	\$13,900,000	\$60	NA	Arden Group	Multiple
Bay Tec Center	124,186				Arden Group	Mid-Pinellas/Gateway
Airport Corporate Center	107,540				Arden Group	Airport/Westshore
3051 Tech Dr N	85,768	\$7,000,000	\$82	NA	CMNY Holdings LLC	Mid-Pinellas/Gateway
1307 E 2nd Ave	45,000	\$6,000,000	\$133	NA	Ybor City Holdings QOZB I LLC	Downtown Tampa
Hanna Distribution Center	67,782	\$5,378,000	\$79	NA	TPG Global LLC	Airport/Westshore
8205 E Adamo Dr	51,840	\$5,000,000	\$96	NA	ULF 8205 Adamo LLC	East Side



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 Properties 