

Florida Industrial  
**LOGISTICS**  
REPORT  
**2019**

## EXECUTIVE SUMMARY

BY THE NUMBERS

SUPPLY & DEMAND

COMPARISON MATRIX

MAJOR MARKETS

Miami-Dade

Broward

Palm Beach

Tampa Bay

Lakeland

Orlando

Jacksonville

# \$153.5 Billion

worth of goods

## FLOWED THROUGH FLORIDA LAST YEAR



Half Through

# PORTS

Half Through

# LAND



Florida is an integral part of supply chains worldwide, and is positioned at the crossroads of growing north-south trade lanes in the Western Hemisphere with access to almost a billion people. Given its unique location and coastline, Florida has one of the most extensive multi-modal transportation systems in the United States. There are 15 deep-water ports, multiple international airports, thousands of miles of freight rail and an interstate highway system that crisscrosses the State.

About half of trade flows to the state along highways or rail, while the other half comes through Florida's deep-water ports. Over 110 million tons of cargo was transferred through Florida ports in 2018. The value of this waterborne trade was \$87.3 billion, a 4.9% increase when compared to one year ago. In 2018, nearly 4.1 million TEU's were handled by Florida's ports, a 10.3% increase from the previous year. TEU, or twenty-foot equivalent units/containers, volume is important to monitor as it strongly correlates with warehousing demand. Almost any commodity can be moved in standard shipping containers, but containerized cargo generally includes the highest value and most time-sensitive maritime commodities.

Much of the focus for new infrastructure investment is for the efficient movement of goods through the state's logistics network. Billions are being spent addressing bottlenecks and improving capacity to maintain Florida as an unparalleled trade hub for the next century. Florida's ports, rail lines and interstate highway systems provide clear advantages over other markets for the movement of cargo in an ever-increasing interconnected worldwide trade network.

U.S.-China trade turmoil dominated the headlines in 2018 and 2019 with great uncertainty remaining around the issue. Continued escalation of U.S.-China trade tensions could have a negative impact on container volumes, especially significant for West Coast ports. Please see Cushman and Wakefield's [2019 North American Ports Outlook](#) for additional insight.

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# FLORIDA BY THE NUMBERS

## 2019 POPULATION ESTIMATES



**20.9 million**



**11.5% growth**  
since 2010



**10.5 million**  
employed



**2.5% Y-O-Y**  
growth

Source: Cushman & Wakefield Research, Altreyx, Florida Department of Economic Development

## 2018 TOURISM



**127 million visitors**  
(7.2% Y-O-Y increase)

2.2 million visitors come to Florida on any given day



**1.6 million**  
employed in the tourism industry



**16.8 million**  
passengers



**\$85.9 billion**  
added to economy

Source: Visit Florida - Power of Florida Tourism

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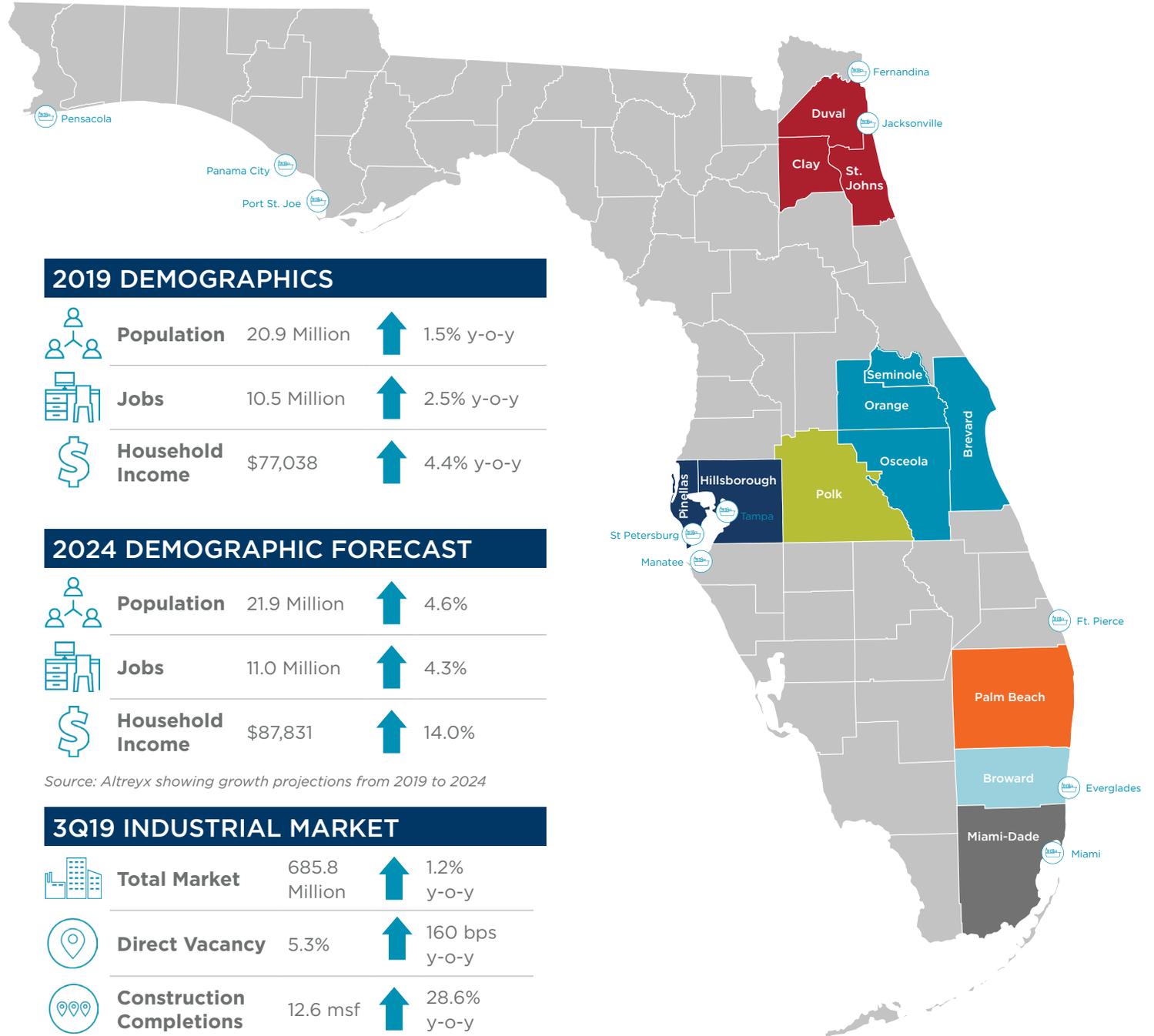
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# LOGISTICS SYSTEMS



State highway system with 4 primary and 9 auxiliary interstates sees **334,216 million annual vehicle miles** (2018)



15 deep-water ports moved over **110 million metric tons** of cargo, 73% out of 3 major ports (2018)



Over **3,000 miles of rail** lines, including 2 Class I railroads, move over **100 million tons** of freight



**20 commercial use airports** and 129 public use aviation facilities move over 3 million tons of cargo



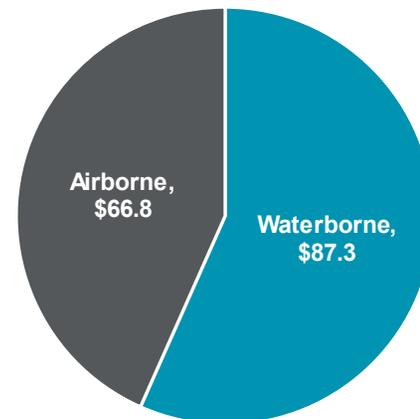
**Two east coast spaceports** with five active launch facilities

Source: Cushman & Wakefield Research

INFRASTRUCTURE

# FREIGHT FLOW BY MODE

(international trade by value, in \$ billions)



Source: Florida Ports Council

TRADE FLOWS

# WATERBORNE CARGO STATEWIDE

## Florida TEU/Container Data

FY 2017-2018 TEUs	4,098,226
Y-o-Y	10.3%
FY 2017-2018 Container (tons)	110,268,130
Y-o-Y	-0.5%

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## SUPPLY

There was almost 500 million square feet (msf) of warehouse/distribution space in Florida spread over the eight major markets at the end of the second quarter of 2019. Current projects under construction account for another 15.3 msf of space, representing an additional 3.0% of existing inventory. The 10-year average for new construction to inventory was closer to 2.0%.

Demand for warehouse/distribution space has accelerated over the past three years. That pushed developers to increase new construction, many times starting projects with no tenant on a completely speculative basis. If the market going forward remained consistent with a 95% occupancy rate, a conservative estimate based on the 10-year average of new construction has almost 54.0 msf of new space potentially added to inventory by 2024.

Source: Cushman & Wakefield Research

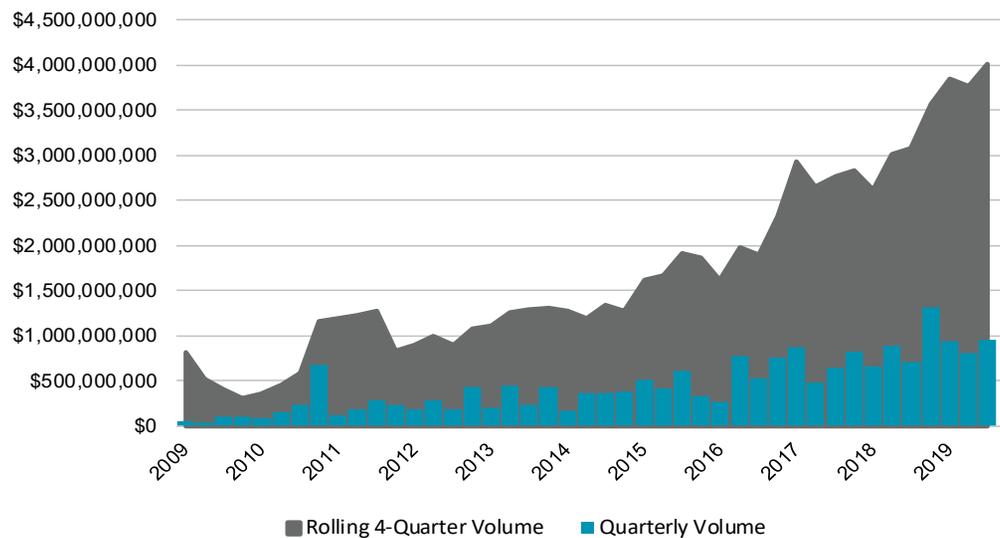
## DEMAND

Leasing activity was robust in 2018 with over 25.1 msf leased. Florida's strong population growth and consumer spending fueled tenants' ability to occupy warehouse space. The evolution of e-commerce warehouse demand was a significant contributor as tenants require numerous fulfillment warehouses in major markets.

Over \$3.5 billion in warehouse/distribution transactions were sold in 2018 totaling approximately 44.3 msf. Sale activity was driven by distribution hubs with the Miami market leading with 12.9 million square feet, followed by Jacksonville with 8.6 million square feet. Florida warehouse sales commanded an average cap rate of 6.5% over the past four quarters. The purchaser pool was diverse in Florida; however, private and institutional capital were responsible for 37.1% and 34.7% of the total sales volume, respectively.

Source: Cushman & Wakefield Research, Real Capital Analytics

### Sales Volume (\$)



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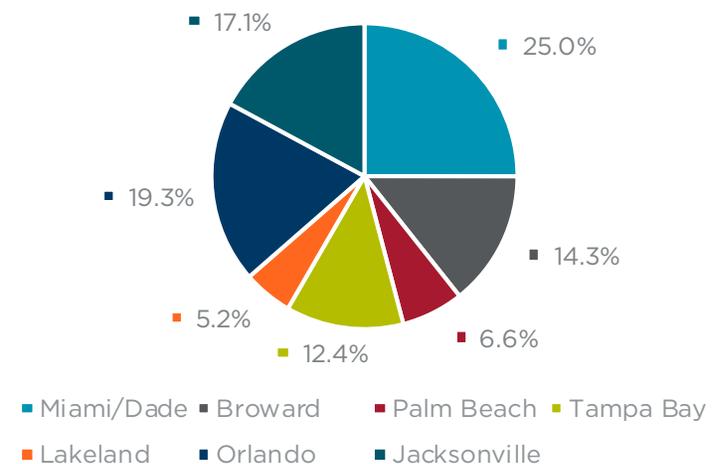
Jacksonville

# SUPPLY & DEMAND

## FLORIDA STATISTICS

	TOTAL INDUSTRIAL	WAREHOUSE/DISTRIBUTION
# Buildings	11,180	7,593
Inventory	685,750,449	506,069,974
Overall Vacancy	5.5%	6.0%
Sublease Vacancy	1,259,400	758,097
Direct NNN Rents	\$7.07	\$6.36

Inventory - Total Industrial



# 3Q2019

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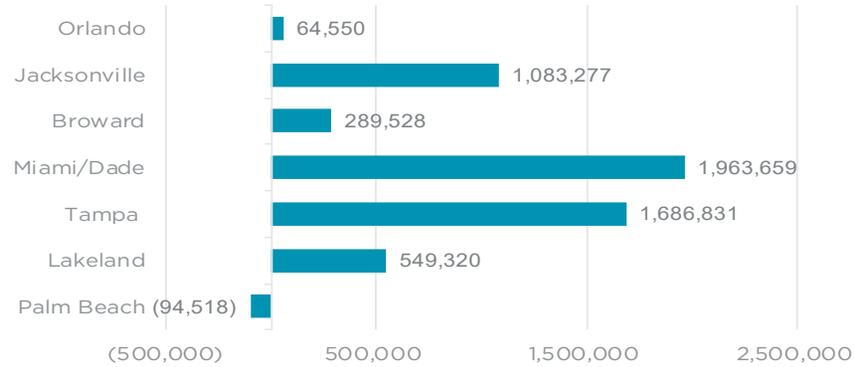
Lakeland

Orlando

Jacksonville

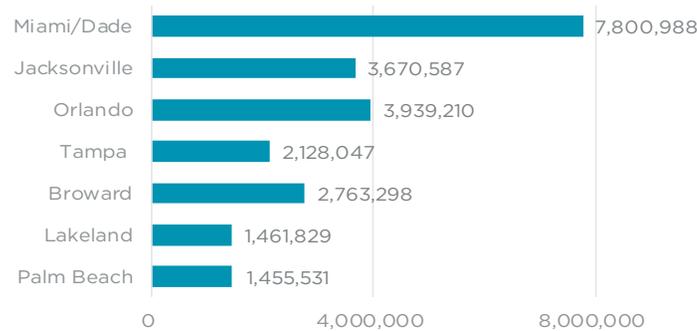
## DEMAND ANALYSIS

Absorption - Total Industrial

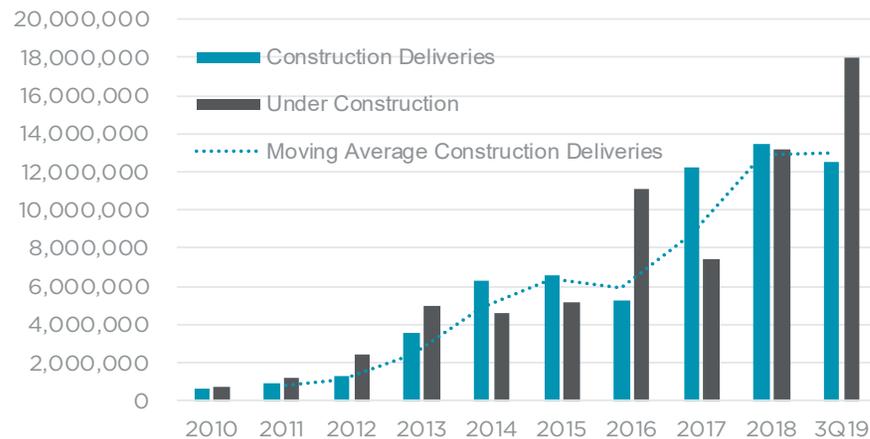


## MARKET ACTIVITY

Leasing Activity - Total Industrial



## Construction Trends



## FORECAST



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# COMPARISON MATRIX



## SEAPORTS

Florida's ports saw a massive capital influx over the past decade to enhance capacity and improve global competitiveness with another \$3.5 billion being invested over the next five years. Common strategies include berth redevelopment, new and improved terminals, and deepening/widening channels, the last of which will account for 17% of total spending going forward.



## INTERMODAL RAIL

Tied into the ports, Florida's intermodal rail facilities provide key transfer points for cargo between road, rail and ships. The 38 different facilities are scattered throughout the state and process all types of cargo and freight.



## WAREHOUSE/DISTRIBUTION NETWORK

Clustered around major markets, warehouse/distribution space in Florida can serve as a processing point for both local and regional markets. It does not need to be directly adjacent to ports or intermodal yards but needs clear access and links to transportation networks. We are starting to see increased new construction in smaller secondary markets, like Ocala, Daytona Beach and panhandle cities that attract some users with increased incentives as well as the availability of labor.



	Jacksonville	Central Florida/ Orlando	Tampa Bay	Lakeland	Palm Beach	Broward	Miami-Dade
Population	1,500,000	2,520,000	3,070,000	673,000	1,490,000	1,960,000	2,751,000
Labor Market	690,000	1,250,000	1,340,000	222,000	698,000	1,000,000	1,180,400
Population (300 Miles)	28.2 million	22.1 million	21.7 million	21.6 million	19.2 million	18.3 million	17.4 million
W/D Inventory (SF)	80,112,058	95,668,347	73,680,269	23,852,626	28,198,946	66,777,820	130,803,554
W/D Direct Vacancy Rate (%)	4.1%	7.2%	7.1%	7.1%	3.4%	3.6%	3.9%
W/D Direct Rental Rate (PSF/NNN)	\$4.59	\$5.99	\$5.43	\$5.07	\$9.31	\$9.60	\$7.50
W/D Under Construction (SF)	5,469,258	1,842,738	1,851,876	1,654,434	510,253	1,984,012	1,996,798
Port Volume (TEU)	1,431,391	7,126	87,526	N/A	292,304	1,108,466	1,083,586
Port Volume (Tons)	20,739,400	6,417,125	34,060,821	N/A	2,567,393	25,734,854	9,611,960
Channel Depth	41'	43'	40'	N/A	33'-35'	42'-(est) 48'	50'-52'
Imports/Exports (billions)	\$19.2/\$6.48	\$1.5/\$0.34	\$2.1/\$1.5	N/A	\$0.04/\$1.9	\$11.7/\$12.6	\$15.9/\$9.8
Port Capital Improvements (2018-2023)	\$655,603,000	\$406,015,000	\$471,550,000	N/A	\$48,500,000	\$817,688,000	\$789,740,000
Market Advantages	Class I rail line, diverse port facilities, interstate connections are ideal for supply chain distribution	Central location in the state; strong population and job growth; proximity to end markets; and relatively new outer road system	Growing consumer market, ability to quickly service multiple markets, magnet for large ecommerce firms	Hub for major logistics firms; cheap, plentiful land for growth and development, low labor costs, between two major markets	24-hour export port with rail system pier-side, intermodal capabilities, easy access to interstates and rail	Improvements will allow Post-Panamax ships to dock. On-dock rail and intermodal capabilities, major oil supplier for region	First port in Florida to handle Post-Panamax ships, strong connections to international markets, on-dock rail for some cargo
Market Challenges	Length of channel and height restrictions limit usage at the port, lack of exports negatively impacts supply chains	Tight labor markets with upward pressure on wages; port does not handle large cargo amounts, construction delays on I-4 through 2022	Shallow depth and height restrictions limit larger ships, lack of land restrains development in parts of the market	Traffic issues on arterials and I-4 cost time and reduce capacity, direct competition for workers from adjacent markets	Shallow port confined to bulk cargo, economic hardship of major trading partners, lack of local manufacturing base for export	Upgrades for larger ships will take years to complete, high rent costs for space, inbound cargo market with limited outbound capacity	Port location constrains growth potential, traffic issues create risk for on time deliveries, high rent costs for space

Source: Cushman & Wakefield Research, Moody's Analytics, Bureau of Labor Statistics

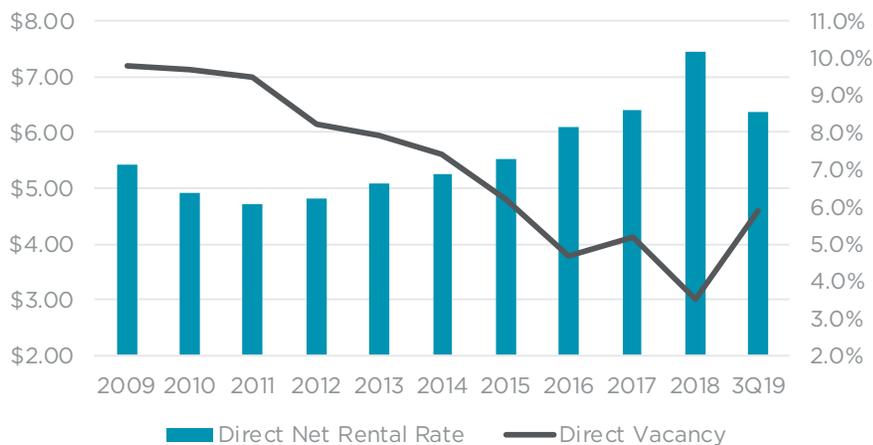
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## MAJOR MARKETS

- Miami-Dade
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- Jacksonville

# MAJOR MARKETS TRENDS TO LOOK OUT FOR...

### Florida Warehouse Distribution Trends



Source: Cushman & Wakefield Research

Rapidly-evolving technologies—such as 5G, blockchain, additive manufacturing and autonomous vehicles—hold the potential to dramatically affect logistics networks.

Ocean freight rates are expected to increase as the International Maritime Organization’s rules on low-sulfur fuel go into effect on January 1, 2020, estimated to increase shipping costs between \$100 - \$270 per TEU.

Further highway and rail congestion throughout the state could lead to an increase in domestic cargo being shipped through the ports instead of over land.

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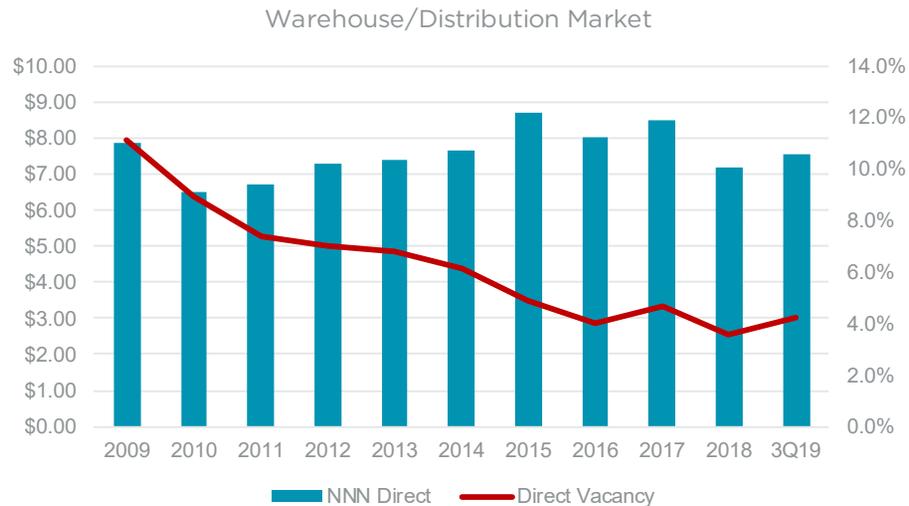
**Miami-Dade's 131 million square feet of warehouse/distribution space services the second largest metro market in the Southeast behind Atlanta.** Global distributors are attracted to the growing consumer base and interconnectivity between sea, rail and highway systems. Miami-Dade logistics network directly connects with end customers throughout the region and provides a strategic advantage over competing out-of-state markets.

### STATISTICS

	<b>Population</b>	2.79 Million	 1.0% y-o-y
	<b>Jobs</b>	1.37 Million	 3.1% y-o-y
	<b>Household Income</b>	\$56,087	 5.2% y-o-y
	<b>Population 300 Miles</b>	17.4 Million	
	<b>Unemployment Rate</b>	3.5%	

### MARKET INDICATORS

Inventory (msf)	131,818,409
Direct Vacancy	4.2%
Direct NNN Rents	\$7.56
Under Construction	4,599,456
Leasing Activity	7,388,023
Absorption	2,241,543



### FORECAST



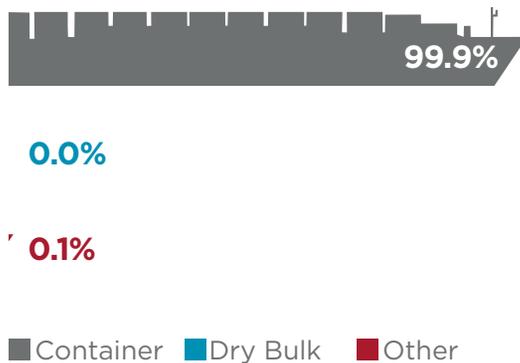
# MIAMI-DADE

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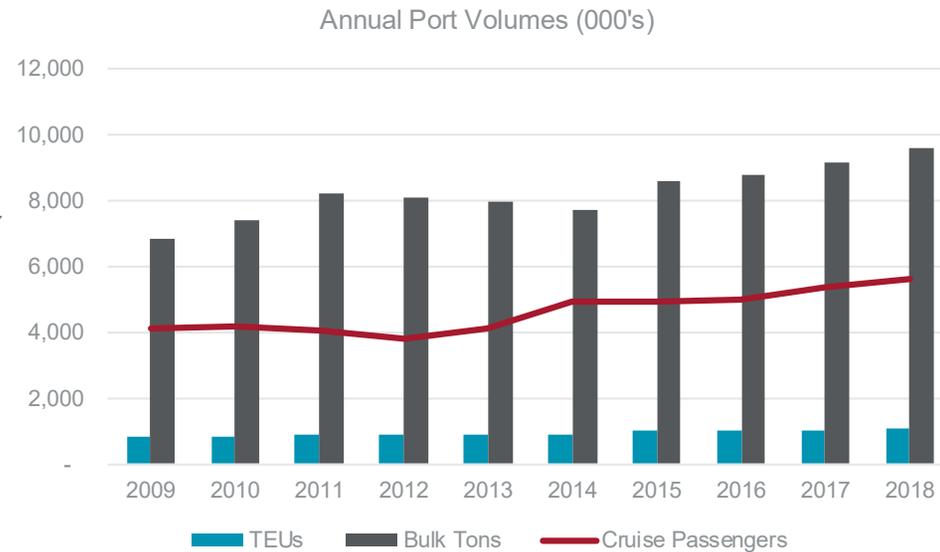
## TOTAL TONNAGE BY TYPE



## LOGISTICS STATISTICS

Trucking/Freeways	I-95, Florida Turnpike, I-75, I-195, I-395
Rail Lines	Florida East Coast, FDOT/TriRail
Airports	Miami International (MIA)
Port Data (Total TEU Volume)	1,028,156
% Change (2015 to 2016)	2.02%
Import (tons)	4,749,255
Export (tons)	4,028,719
Domestic (tons)	0
Channel Depth	50 to 52
Total Cranes/Post-Panamax	7/6
Major Trading Partners	China, Brazil, Caribbean, Central America

## ANNUAL TEU VOLUME & BULK TONNAGE



\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

## MARKET STRENGTHS

- Import/export balance makes the Miami market more attractive to supply chains looking for lower processing costs due to the smaller amounts of empty containers coming in and going out.
- Large diversified economy attracts a large amount of foreign capital and investment.

## MARKET CHALLENGES

- Congestion on local highways and rail systems add cost, time delays, and creates supply chain uncertainties.
- Cruise operations, while adding value, limit the space for cargo expansion at the port and potentially future growth in capacity.

# MIAMI-DADE

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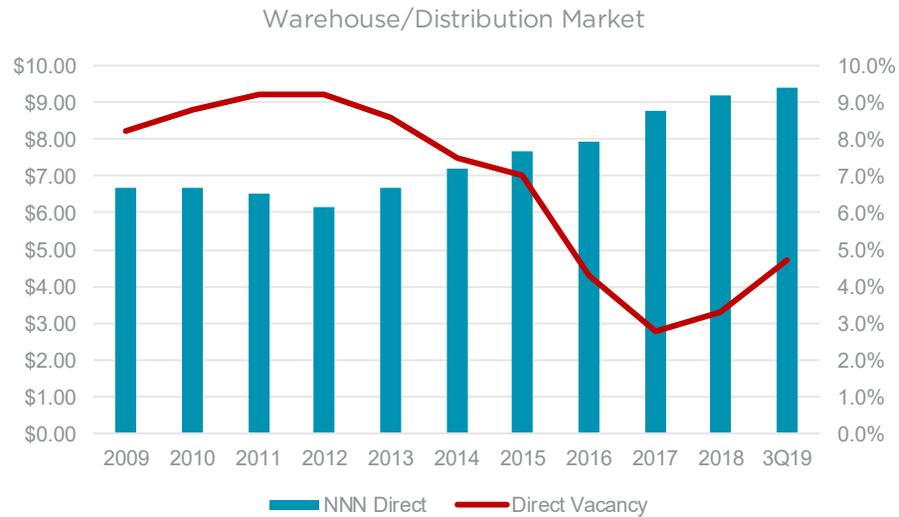
**Broward County is a major player in international trade with Port Everglades and an expanding international airport.** The county benefits from a central location in South Florida with proximity to Miami-Dade and Palm Beach counties. Broward County's diverse labor pool and high quality of life recently attracted several major corporations including USL Cargo Services and Stryker, which signed large leases in 2018.

### STATISTICS

	<b>Population</b>	1.97 Million		1.3% y-o-y
	<b>Jobs</b>	1.0 Million		0.9% y-o-y
	<b>Household Income</b>	\$62,933		5.5% y-o-y
	<b>Population 300 Miles</b>	18.3 Million		
	<b>Unemployment Rate</b>	3.3%		

### MARKET INDICATORS

Inventory (msf)	67,680,162
Direct Vacancy	4.7%
Direct NNN Rents	\$9.39
Under Construction	1,919,314
Leasing Activity	2,297,027
Absorption	339,965



### FORECAST



# BROWARD

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## MAJOR MARKETS

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## LOGISTICS STATISTICS

Trucking/Freeways	I-95, Florida Turnpike, I-75
Rail Lines	Florida East Coast, FDOT/TriRail
Airports	Ft. Lauderdale-Hollywood International Airport (FLL)
Port Data (Total TEU Volume)	1,037,226
% Change (2015 to 2016)	-2.20%
Import (tons)	8,375,823
Export (tons)	3,233,757
Domestic (tons)	13,071,751
Channel Depth	42' (working to increase it to 48')
Total Cranes/Post-Panamax	10/7
Major Trading Partners	Honduras, Guatemala, Brazil, Caribbean, Italy, Colombia

## MARKET STRENGTHS

- Superior connections to interstates and Turnpike with direct access to the Gulf Coast of Florida.
- Adjacent dock rail has the capacity to process 450,000 TEUs annually for quick cargo transport to end markets.
- Oil and gas needed for cars, electricity and manufacturing for South Florida flows through Port Everglades with operations taking a significant land position at the port.

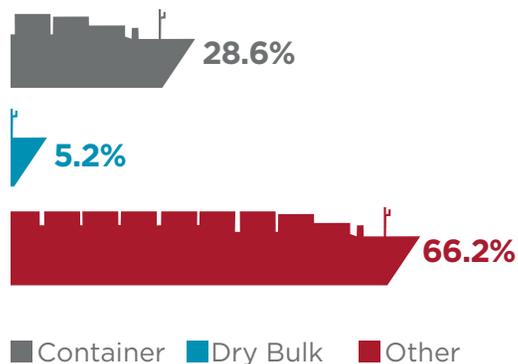
## ANNUAL TEU VOLUME & BULK TONNAGE

Annual Port Volumes (000's)



\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

## TOTAL TONNAGE BY TYPE



## MARKET CHALLENGES

- Port has historically been inbound and has limited opportunities to increase outbound capabilities in near term due to the lack of a strong manufacturing sector and export market.
- Higher rent and operating costs for warehouse/distribution space than comparable ports in Florida.

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**Palm Beach County is one the wealthiest counties in the U.S. with per capita incomes nearly 50% higher than state and national averages.** Much like Broward County, its strategic location makes it an ideal choice for companies that need to service the South Florida market. Hurricane Dorian's impact on the Bahamas, one of the port's largest trading partners, will undoubtedly affect the port's short-term volume.

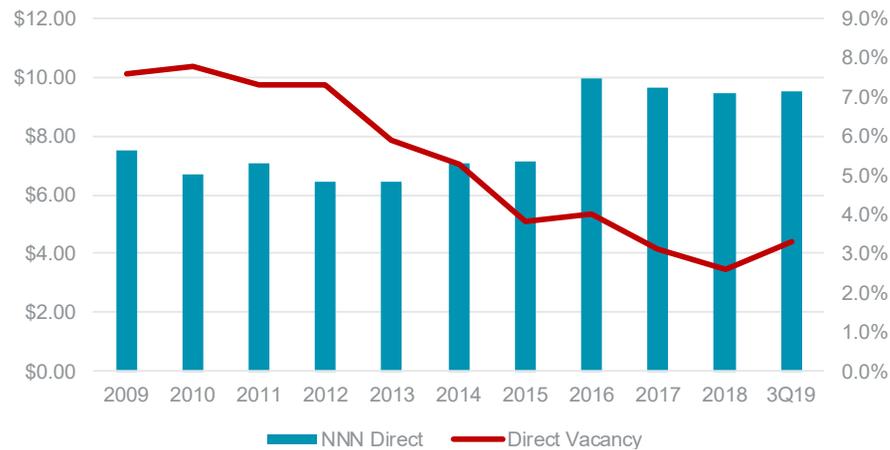
### STATISTICS

	<b>Population</b>	1.5 Million	 2.0% y-o-y
	<b>Jobs</b>	713,150	 1.2% y-o-y
	<b>Household Income</b>	\$66,992	 6.0% y-o-y
	<b>Population 300 Miles</b>	19.2 Million	
	<b>Unemployment Rate</b>	3.5%	

### MARKET INDICATORS

Inventory (msf)	28,323,979
Direct Vacancy	3.3%
Direct NNN Rents	\$9.54
Under Construction	525,725
Leasing Activity	927,531
Absorption	-85,362

Warehouse/Distribution Market



### FORECAST



# PALM BEACH

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## LOGISTICS STATISTICS

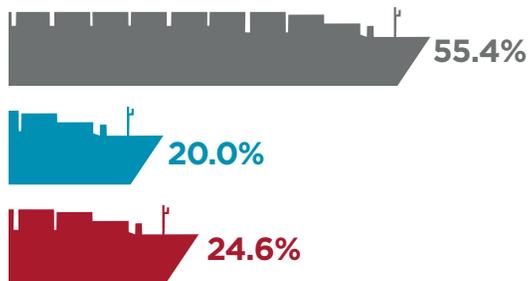
Trucking/Freeways	I-95, Florida Turnpike, US-27, SR-80, SR-70
Rail Lines	Florida East Coast, CSX, FDOT/TriRail, South Central Florida Express
Airports	Palm Beach International Airport (PBI)
Port Data (Total TEU Volume)	267,000
% Change (2015 to 2016)	.77%
Import (tons)	540,162
Export (tons)	1,195,403
Domestic (tons)	783,690
Channel Depth	33' to 35'
Total Cranes/Post-Panamax	0/0
Major Trading Partners	Bahamas, Denmark, Cayman Islands, Saint Maarten, Guyana

## MARKET STRENGTHS

- Market provides less traffic congestion for users that need to be in both Central and South Florida markets.
- Only port in South Florida with an operating rail system with pier-side box, hopper, and intermodal cars operating 24 hours a day.

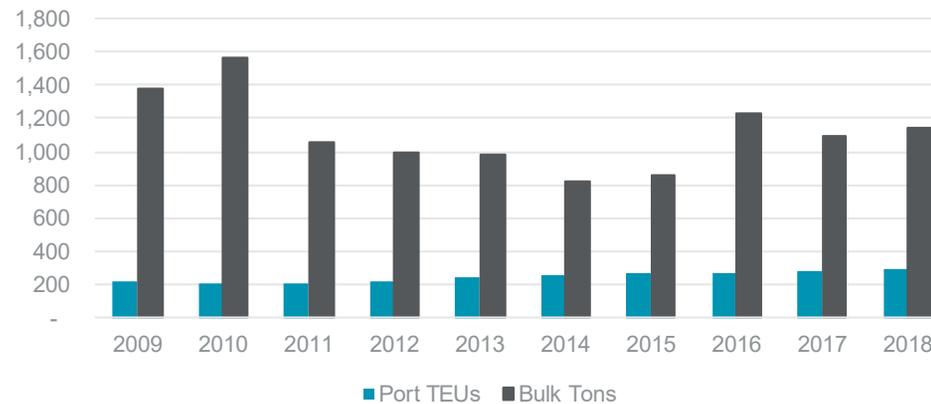
## ANNUAL TEU VOLUME & BULK TONNAGE

### TOTAL TONNAGE BY TYPE



■ Container ■ Dry Bulk ■ Other

Annual Port Volumes (000's)



## MARKET CHALLENGES

- Limited surrounding land has pushed development inland away from the port, causing additional capacity issues on existing roadways.
- The port's shallow channel and dockside capabilities restrict the type of cargo that can be processed.

\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

# PALM BEACH

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The Tampa Bay region has seen unprecedented growth over the past decade. **The region's population growth is fueling one of the largest mixed-use development in the country, Water Street, among others.** Companies are tapping into the area's diverse workforce, plethora of new development, and access to multi-modal transportation. Republic National Distributing Company is one of the many recent distributors that took space in the Tampa market.

### STATISTICS

	<b>Population</b>	3.2 Million	 1.3% y-o-y
	<b>Jobs</b>	1.5 million	 0.9% y-o-y
	<b>Household Income</b>	\$58,299	 6.2% y-o-y
	<b>Population 300 Miles</b>	21.7 Million	
	<b>Unemployment Rate</b>	3.4%	

### MARKET INDICATORS

Inventory (msf)	58,992,677
Direct Vacancy	7.3%
Direct NNN Rents	\$5.58
Under Construction	2,152,898
Leasing Activity	1,835,002
Absorption	1,797,171

Warehouse/Distribution Market



### FORECAST



# TAMPA BAY

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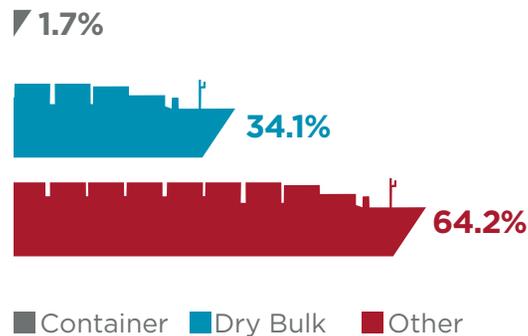
Trucking/Freeways	I-275, I-4, Veterans Expressway, Selmon Expressway
Rail Lines	CSX
Airports	Tampa International Airport (TPA), St. Petersburg/Clearwater International Airport (PIE)
Port Data (Total TEU Volume)	49,716
% Change (2015 to 2016)	-12.38%
Import (tons)	6,204,006
Export (tons)	3,498,072
Domestic (tons)	27,823,375
Channel Depth	40'
Total Cranes/Post-Panamax	3/2
Major Trading Partners	China, Brazil, Australia, Central America, Caribbean

## MARKET STRENGTHS

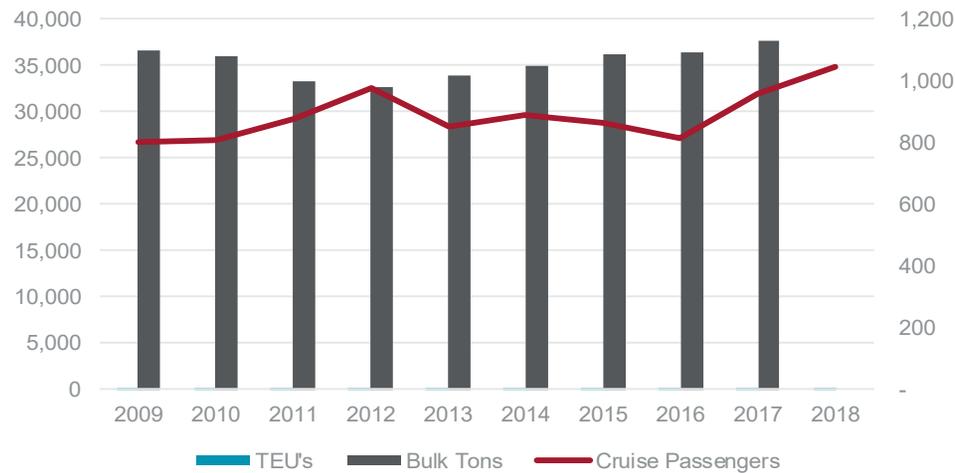
- The Port of Tampa has completed significant capital improvements that expanded the port facilities
- Largest port facility in the state in terms of tons processed and the major supplier of oil, gas and petroleum products to Central Florida.

## ANNUAL TEU VOLUME & BULK TONNAGE

### TOTAL TONNAGE BY TYPE



Annual Port Volumes (000's)



\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

## MARKET CHALLENGES

- Existing bridge and interstate systems limit the size of ships that can call on the port. Shallow channel depth would need to be dredged to expand capabilities.
- Tampa Bay has cost and availability competition from the Lakeland market for large users that need clear connections to rail and interstate systems.

# TAMPA BAY

- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

### MAJOR MARKETS

- Miami-Dade
- Broward
- Palm Beach
- Tampa Bay
- Lakeland**
- Orlando
- Jacksonville

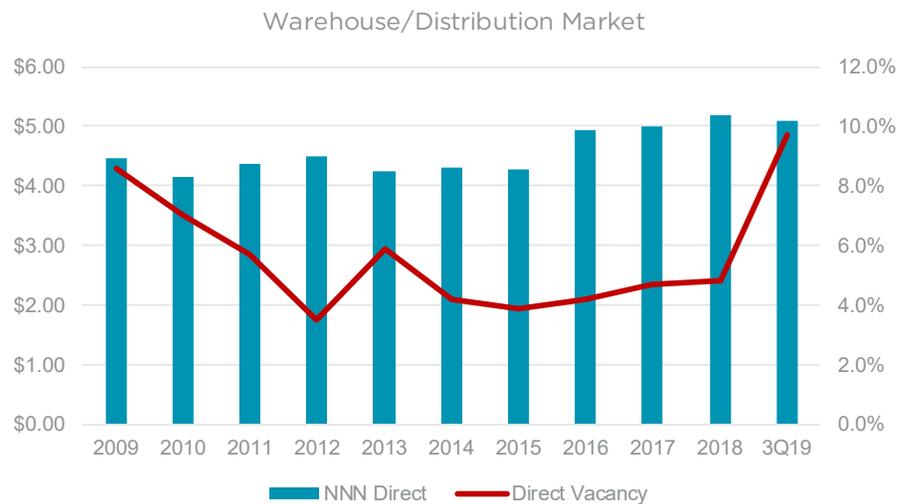
**The Lakeland market has emerged as an industrial mecca along the I-4 corridor.** With tenants like Amazon, Publix, and Gatorade, the market continues to be one of the top performing industrial markets in the country in terms of occupancy. Its strategic location between Tampa Bay and Orlando, near I-75, provides distributors access to millions of consumers within a few hours, making it an excellent location for a regional distribution hub.

### STATISTICS

	<b>Population</b>	0.7 Million		1.6% y-o-y
	<b>Jobs</b>	289,000		1.0% y-o-y
	<b>Household Income</b>	\$53,605		5.2% y-o-y
	<b>Population 300 Miles</b>	21.6 Million		
	<b>Unemployment Rate</b>	4.0%		

### MARKET INDICATORS

Inventory (msf)	24,970,515
Direct Vacancy	9.7%
Direct NNN Rents	\$5.10
Under Construction	1,250,697
Leasing Activity	1,425,439
Absorption	508,250



### FORECAST



# LAKELAND

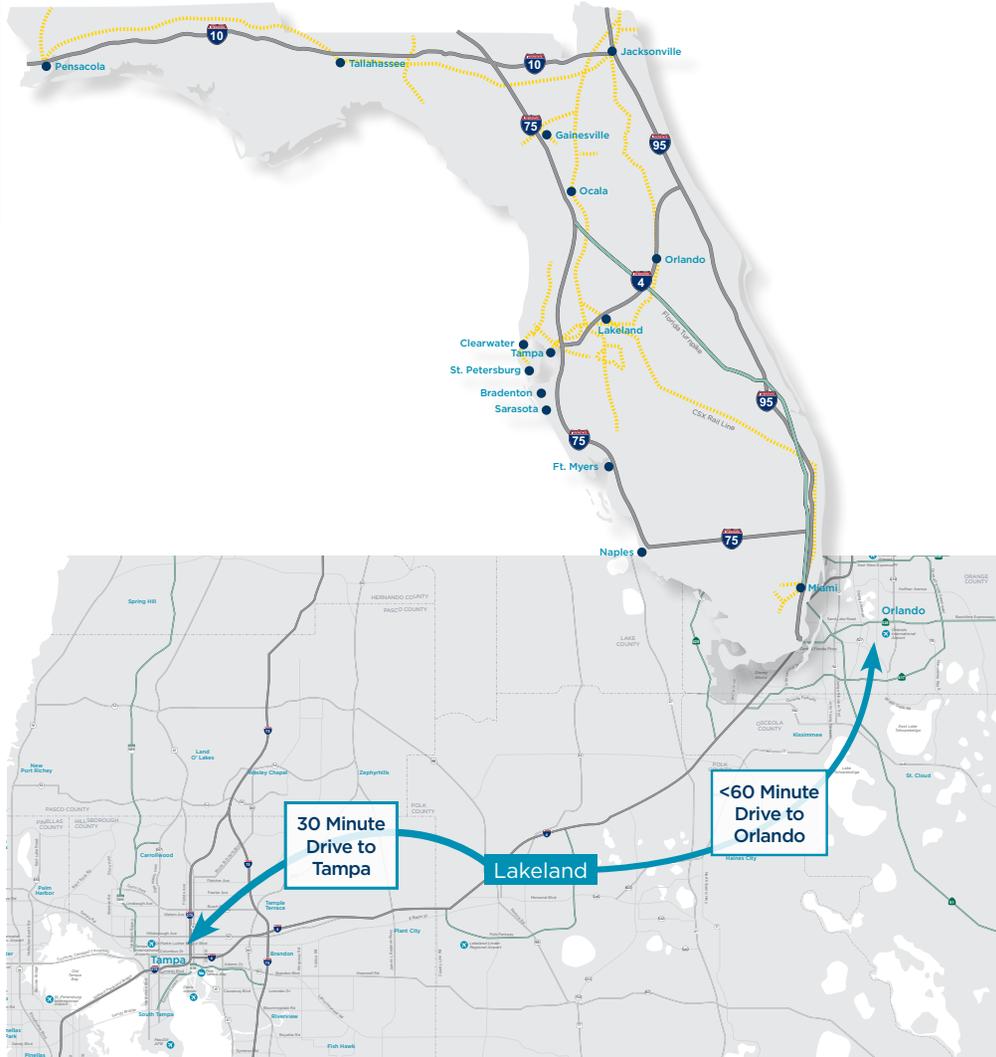
- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

### MAJOR MARKETS

- Miami-Dade
- Broward
- Palm Beach
- Tampa Bay
- Lakeland**
- Orlando
- Jacksonville

### LOGISTICS STATISTICS

Trucking/Freeways	I-4
Rail Lines	CSX
Airports	Lakeland Linder Regional Airport (LAL)



LAKELAND CONTINUES TO SEE GROWTH FROM MAJOR DISTRIBUTORS THAT WANT A CENTRAL LOCATION AND ABILITY TO SERVICE MARKETS BOTH TO THE NORTH AND SOUTH.

### MARKET STRENGTHS

- Lakeland's superior access along the I-4 Corridor provides a strategic advantage and allows workforce from surrounding counties to easily seek employment in the area.
- Low labor costs and hundreds of acres of entitled industrial land will continue to attract new development and companies to the area.

### MARKET CHALLENGES

- Traffic congestion along the I-4 Corridor will require significant capital investment to alleviate bottleneck and time delay issues.
- Heavy competition among users for well-located sites near I-4 interchanges.

# LAKELAND

- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

### MAJOR MARKETS

- Miami-Dade
- Broward
- Palm Beach
- Tampa Bay
- Lakeland
- Orlando**
- Jacksonville

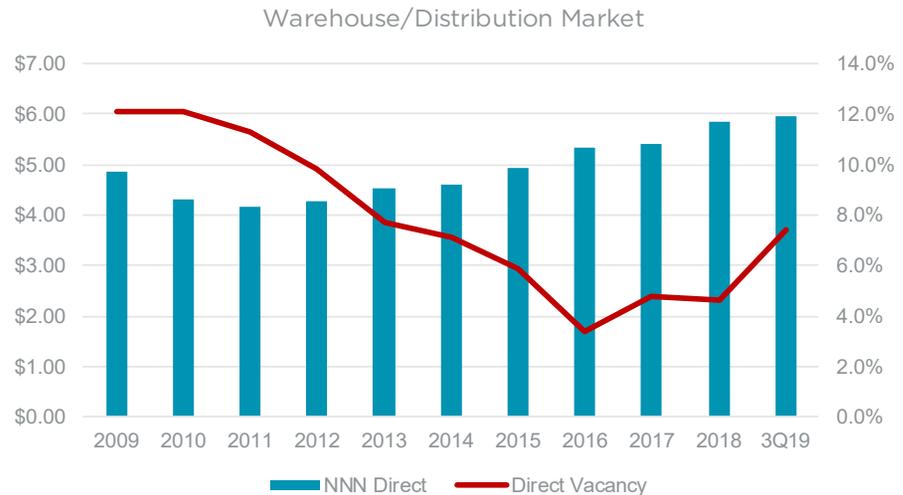
### MARKET INDICATORS

Inventory (msf)	96,433,816
Direct Vacancy	7.4%
Direct NNN Rents	\$5.94
Under Construction	3,574,606
Leasing Activity	3,695,691
Absorption	301,887

**Central Florida, including Orlando and Port Canaveral, is one of the fastest growing metros in the country in terms of population growth.** Central Florida serves as a unique quadra-modal transportation hub, linking sea, land, air and space. While Port Canaveral derives much of its revenue from cruise business, the port benefits from a growing cargo diversity. Long considered solely a tourist market, the region is now a regional hotbed for logistics companies looking to tap into a diverse workforce, increasing consumer demand and competitive costs. Orlando's centralized location along the I-4 corridor gives logistics companies good access to most of Florida.

### STATISTICS

	<b>Population</b>	2.6 Million	 2.3% y-o-y
	<b>Jobs</b>	1,325,000	 2.4% y-o-y
	<b>Household Income</b>	\$61,134	 5.9% y-o-y
	<b>Population 300 Miles</b>	22.1 Million	
	<b>Unemployment Rate</b>	3.2%	



### FORECAST



# ORLANDO

- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

## MAJOR MARKETS

- Miami-Dade
- Broward
- Palm Beach
- Tampa Bay
- Lakeland
- Orlando**
- Jacksonville

## LOGISTICS STATISTICS

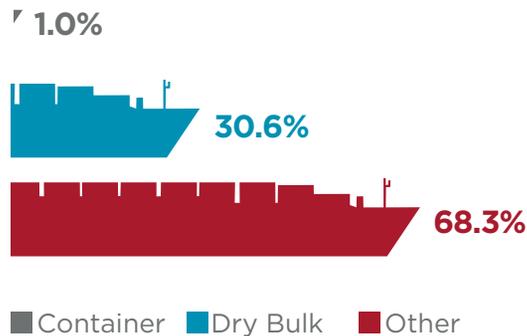
Trucking/Freeways	I-4, Florida Turnpike, Beachline Expressway
Rail Lines	CSX, Florida East Coast, SunRail, Amtrak
Airports	Orlando International Airport (MCO), Orlando/Sanford International Airport (SFB), Orlando Executive Airport (ORL)
Port Data (Total TEU Volume)	2,745
% Change (2015 to 2016)	23.4%
Import (tons)	4,117,640
Export (tons)	64,737
Domestic (tons)	1,342,101
Channel Depth	43'
Total Cranes/Post-Panamax	0/0
Major Trading Partners	Bahamas, Canada, Netherlands, Venezuela

## MARKET STRENGTHS

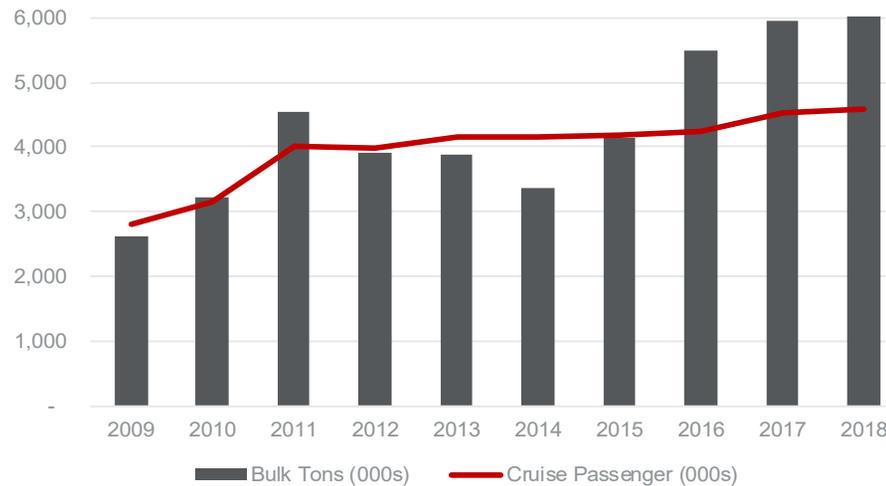
- One of the fastest growing metros in the country in terms of population, the area attracts new players.
- Orlando is conveniently located 3 to 4 hours from every other major market in Florida. There are 28 million consumers within a driving distance of eight hours.

## ANNUAL TEU VOLUME & BULK TONNAGE

### TOTAL TONNAGE BY TYPE



Annual Port Volumes (000's)



\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

## MARKET CHALLENGES

- Majority of Port Canaveral's capital improvements are focused on cruise-related port activities and do not directly benefit the cargo industries.
- Highway congestion due to the year-round tourist season and constant road construction that never seems to catch up to explosive growth.

# ORLANDO

- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

### MAJOR MARKETS

- Miami-Dade
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- Tampa Bay
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- Orlando
- Jacksonville

### MARKET INDICATORS

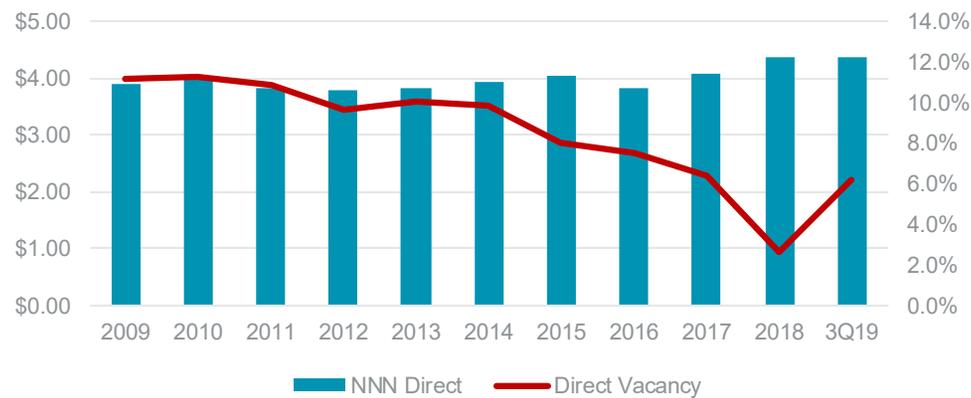
Inventory (msf)	81,898,849
Direct Vacancy	6.2%
Direct NNN Rents	\$4.38
Under Construction	4,001,303
Leasing Activity	3,268,210
Absorption	771,617

**Jacksonville's location and access to multi-modal transportation makes it an ideal location for logistics-oriented companies.** It is the eastern terminus of I-10 with direct access to I-95, and home to two Class 1 railways. It is the most affordable warehouse/distribution market in the state with rental rates nearly half those in South Florida and comparable to other larger markets in the Southeast. The area's location and affordability have attracted several distribution hubs including expansions by Amazon, Wayfair and Home Depot.

### STATISTICS

	<b>Population</b>	1.6 Million		1.4% y-o-y
	<b>Jobs</b>	755,000		1.1% y-o-y
	<b>Household Income</b>	\$66,075		6.6% y-o-y
	<b>Population 300 Miles</b>	28.2 Million		
	<b>Unemployment Rate</b>	3.4%		

Warehouse/Distribution Market



### FORECAST



# JACKSONVILLE

- / EXECUTIVE SUMMARY
- / BY THE NUMBERS
- / SUPPLY & DEMAND
- / COMPARISON MATRIX

### MAJOR MARKETS

- Miami-Dade
- Broward
- Palm Beach
- Tampa Bay
- Lakeland
- Orlando
- Jacksonville

## LOGISTICS STATISTICS

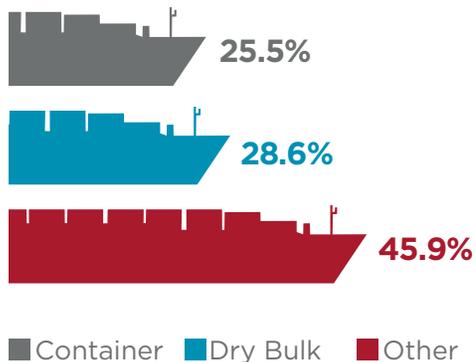
Trucking/Freeways	I-10, I-95, I-295, JTB
Rail Lines	Florida East Coast, CSX, Norfolk Southern
Airports	Jacksonville International Airport (JAX)
Port Data (Total TEU Volume)	968,279
% Change (2015 to 2016)	5.79%
Import (tons)	8,904,154
Export (tons)	2,666,914
Domestic (tons)	7,445,726
Channel Depth	41' (Proposed to dredge to 47')
Total Cranes/Post-Panamax	20/3
Major Trading Partners	Japan, China, Germany, Brazil, Mexico

## MARKET STRENGTHS

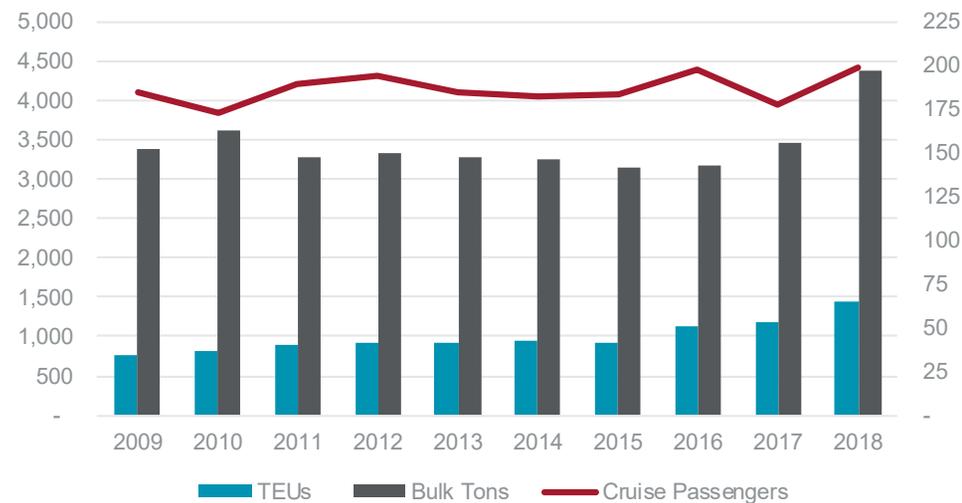
- Diversity in port terminals and capabilities allows Jacksonville to service several different types of ships and cargo.
- On-dock rail and direct intermodal capabilities to Class 1 rail lines allow cargo to access 22 states in three days or less.

## ANNUAL TEU VOLUME & BULK TONNAGE

### TOTAL TONNAGE BY TYPE



Annual Port Volumes (000's)



\* Bulk tonnage includes bulk, break-bulk and liquid cargo.

## MARKET CHALLENGES

- Limited outbound cargo possibilities due to the lack of a local export manufacturing. The market is outside of traditional supply chains that have utilized the Port of Savannah about 140 miles to the north.
- Lacks recognition as a key tourist destination, which in turn limits future cruise business growth.

# JACKSONVILLE



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