



ComReal

MIAMI, INCORPORATED

ComReal Miami Industrial Real Estate Market Report 1st Quarter 2013

Market Review:

1st Quarter 2013 Stats:



Lease Rates:
Avg. \$7.72 psf



Vacancy Rate:
Avg. 6.7 %



Sales Prices:
Avg. \$73.42 psf

Sales Volume:
\$190,241,700



Cap Rates:
Avg. 7.03 %



Absorption:
466,548 sq. ft.



Under Construction:
619,280 sq. ft.



Total Inventory:
228,492,520 sq. ft.

Source: Costar Group

The average lease rate for warehouse space in Miami increased to \$7.72 per sq. ft. from \$7.54 per sq. ft. Although there were several significant lease transactions during this first quarter, the average vacancy rate remained the same. This was mainly due to the over one-half million square feet of new warehouse space that was delivered to the market. In addition, South Florida Logistics Center, Miami International Tradeport and Flagler Station will also complete new buildings in their parks. We can expect over one million square feet of total new space to be delivered before the end of the year.

The largest lease transactions of the first quarter included Interport Logistics' lease of 150,000 sq. ft. in Beacon Lakes and Seafreight's lease of 148,750 sq. ft. at International Corporate Park. For the first time since before the recession, a lease rate topped over \$9 per sq. ft. for a class A, bulk warehouse space in Airport West Dade. The ComReal Miami Warehouse Team is pleased to report that we were involved in the largest purchase transaction so far this year for the 485,000 sq. ft. warehouse now known as Miami International Logistics Center. In addition, TA Associates Realty is offering a 2M sq. ft. portfolio of thirty-three warehouse buildings located in four industrial parks. There were several dozen bidders and is now currently under contract to multiple buyers.

Some tenants continue to renew their leases for longer terms hoping to lock in the current lease rates before they go up further. There are quite a few active buyers in the market as well looking to take advantage of the historically low interest rates. However, with so many institutional investment firms owning most of the larger, warehouse buildings in Miami it is increasingly difficult to find well priced, functional properties available for sale. Ambitious buyers are having to look for properties that are available on an off-the-market basis as well as vacant land sites for custom, build-to-suit construction in order to get exactly what they want.

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Did you know? There are only four warehouses over 100,000 sq. ft. available on the market for sale in Miami-Dade County.

Did you also know? There is only one warehouse over 100,000 sq. ft. on the market available for sale or lease that has active rail service.

Warehouse in East Airport Sold:



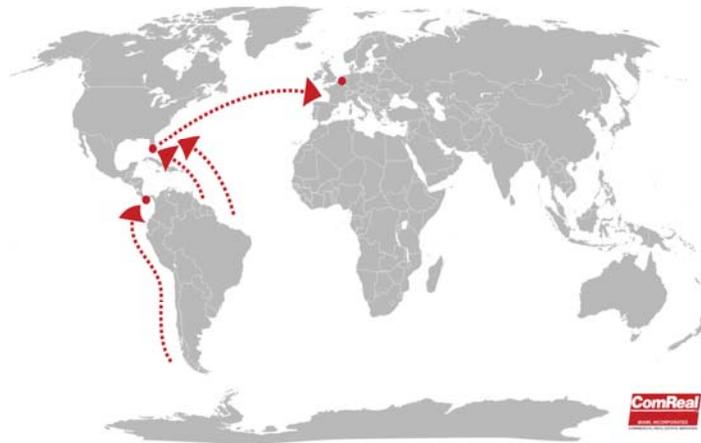
Sold! ComReal is proud to announce the sale of the #1 largest warehouse building in Miami so far this year! The 485,000 sq. ft. warehouse closed for \$11,250,000. The proud new owner is Gerard Keating of Keating Resources from Chicago.

Redlich's Industrial Report at CCIM Miami Commercial Real Estate Outlook Conference 2013:



Ed Redlich, CCIM delivered the Industrial Report at the Commercial Real Estate Outlook Conference hosted by the Miami District of Certified Commercial Investment Members (CCIM). Over 300 commercial real estate professionals were in attendance. An office broker stated that "Ed's presentation actually made warehouses seem very interesting to me for the first time in my career". Several of Redlich's predictions have already been proven true.

Miami of Latin America and The Netherlands of Europe:



Did you know that Miami is to Latin America what the Netherlands is to Europe? Just as "Miami is the gateway to the Americas", the "Netherlands is the gateway to Europe." Miami has the relationships and trade routes to Latin America, South & Central America and the Caribbean; just like the Netherlands has with the rest of Europe. In February, Ed Redlich toured the Netherlands and Germany with a trade mission from Miami consisting of representatives from Port Miami and logistics providers.

Florida World Trade Month 2013
 May 22nd, 2013 9:00 AM – 11:00 AM
 Miami Free Zone & FTZ World Services Present:

GET IN THE ZONE
WHAT FOREIGN TRADE ZONES CAN DO FOR YOU!

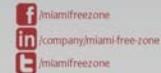
In celebration of Florida World Trade Month 2013, Miami Free Zone is hosting a free seminar on Foreign Trade Zones (FTZ) on May 22nd, 2013

This seminar aims to educate businesses and individuals about the benefits of using an FTZ, and their importance in helping grow international trade, increase exports, and create jobs in our communities

Location:
 Miami Free Zone Conference Center
 2305 NW 107th Ave., Suites 2M08-10
 Doral, FL 33172

Time & Date:
 May 22nd, 2013
 9:00 AM – 11:00 AM

- Topics will include:**
- ❖ History and fundamentals of the FTZ program
 - ❖ ASF program (Alternative Site Framework)
 - ❖ Overview of FTZs in Florida and the US
 - ❖ How an FTZ can benefit you



PLEASE RSVP:
 marketing@miamifreezone.com
 or call (305) 591-4300 Ext 319



Foreign Trade Zone Seminar on May 22nd:

Mark your calendar for May 22nd! ComReal Miami is a proud sponsor of this seminar on Foreign Trade Zones in Miami. The event will be held down the hall from our office at the Miami Free Zone in Doral.

Miami Warehouse Leased in 1st Quarter 2013 (partial list):

<u>Tenant</u>	<u>Size SF</u>	<u>Property Address</u>
Interport	150,000	25XX NW 129 Avenue
Seafreight	148,750	9950 NW 17 Street
SMT Duty Free	50,000	8935 NW 27 Street
Toll Global Forwarding	33,731	8815 NW 33 Street
DGD Transport	30,000	1325 NW 78 Avenue
Trane US	29,250	2660 NW 89 Court

Miami Warehouses Sold in 1st Quarter 2013 (partial list):

<u>Buyer</u>	<u>Size SF</u>	<u>Property Address</u>	<u>Price</u>	<u>\$ PSF</u>
Keating Resources	485,000	725 SE 9 Court	\$11,250,000	\$23
Megacenter	171,000	8600 NW South River	\$7,000,000	\$41
EWE	105,000	2330 NW 82 Avenue	\$9,200,000	\$87
Seagis Property	78,000	10400 NW 33 Street	\$6,200,000	\$79
Royal Wine	50,000	8265 NW 70 Street	\$3,300,000	\$66
Terreno Realty	49,000	12600 NW 107 Avenue	\$5,300,000	\$106
WK Cargo	35,000	8020 NW 60 Street	\$1,250,000	\$35
Esprit Miami	25,000	11475 NW 39 Street	\$2,700,000	\$108

ComReal welcomes Yarisley Morales to the Team:

Yarisley Morales was born in Cuba. She joined ComReal Miami in January with aspirations of helping the team and facilitating the day to day activities. She graduated from Florida International University in 2012 with a Bachelor of Business Administration in Marketing and Management. Yarisley knows that a crucial aspect to a successful business is effective communication with clients, and strives to provide great customer service. She is fluent in both English and Spanish.



Service Provider of the Quarter:



ComReal is a proud member of the Florida Customer Brokers & Forwarders. The FCBF was founded in 1960 by several customs brokers and freight forwarders in Miami. Now the organization is the most influential and active representative body of the Florida freight forwarding and customs brokerage community. FCBF provides communications between the trade community and the federal agencies in order to expand Florida's trading communities at the local, state, and national level.

Please visit their website at www.FCBF.com

The Miami Warehouse Team



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