

Sarasota-Manatee, FL

3rd Quarter 2015

INDUSTRIAL

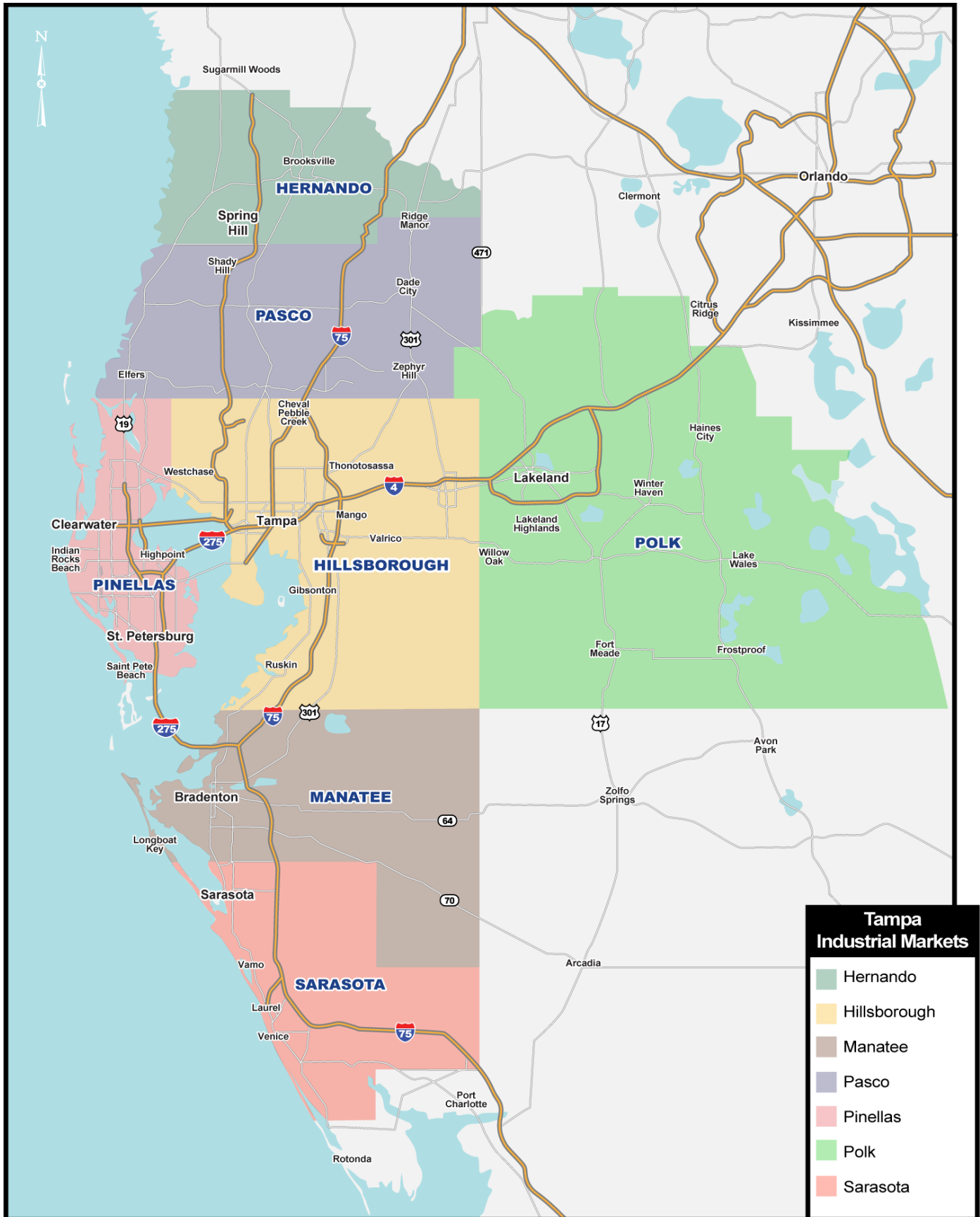
Market Trends



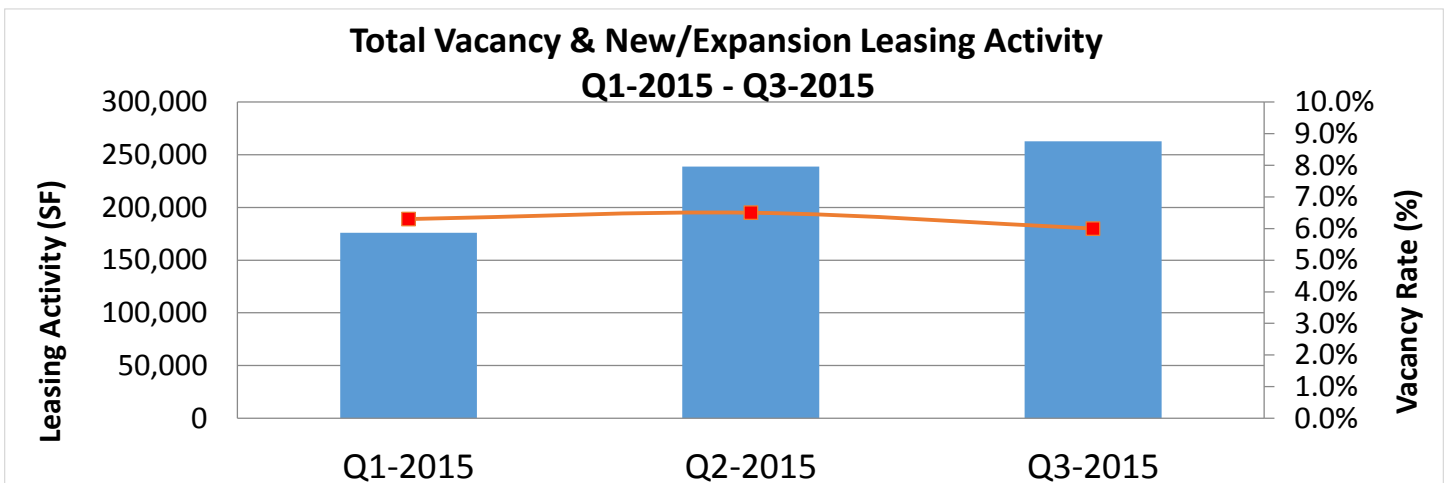
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The Sarasota-Manatee tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Inventory	The total square feet of all existing single tenant, multi-tenant and owner-occupied industrial properties greater than 5,000 SF.
Total Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Total Vacant SF	The total of all of the vacant square footage within a building, including both direct and sublease space.
Direct Vacant SF	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Sublease SF	Space that is offered for lease by a current tenant, or his agent, within a property. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
Net Absorption	The net change in physically occupied space from quarter to quarter, expressed in square feet.



- The market recorded a strong 275,805 Square Feet of absorption during the third quarter, resulting in overall vacancy decreasing five-tenths of a percentage point from the mid-year.
- Of the area's industrial submarkets, the Manatee-North River submarket reported the lowest overall vacancy rate of 3.4%.
- The area as a whole experienced a slight increase in the average asking rental rate, closing the third quarter of 2015 with an average of \$5.57 PSF triple net.
- Marketwide, new and expansion leasing volume in the third quarter increased just over 10.0% from the activity posted in the second quarter of 2015.



Q3 2015 Market Overview by Submarket											
	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Available (SF)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Quarterly Net Absorption (SF)	YTD Net Absorption (SF)
Manatee	934	22,520,845	1,446,092	1,276,569	5.7%	1,437,342	1,267,819	5.6%	8,750	149,571	278,016
Bradenton	767	17,872,495	1,259,470	1,117,703	6.3%	1,250,720	1,108,953	6.2%	8,750	67,342	157,234
Manatee-North River	167	4,648,350	186,622	158,866	3.4%	186,622	158,866	3.4%	0	82,229	120,782
Sarasota	1,096	19,016,372	1,425,289	1,197,265	6.3%	1,419,639	1,191,615	6.3%	5,650	126,234	35,144
Interstate 75	269	4,862,399	244,874	200,574	4.1%	240,874	196,574	4.0%	4,000	106,083	116,704
North Sarasota	370	5,676,229	670,275	606,795	10.7%	670,275	606,795	10.7%	0	9,034	(66,362)
South Sarasota	148	3,212,951	203,529	154,245	4.8%	203,529	154,245	4.8%	0	33,084	43,950
Venice-Englewood	268	4,410,582	215,267	185,802	4.2%	213,617	184,152	4.2%	1,650	(21,967)	(76,232)
North Port	41	854,211	91,344	49,849	5.8%	91,344	49,849	5.8%	0	0	17,084
Grand Total	2,030	41,537,217	2,871,381	2,473,834	6.0%	2,856,981	2,459,434	5.9%	14,400	275,805	313,160

Overview by Submarket/ Building Type

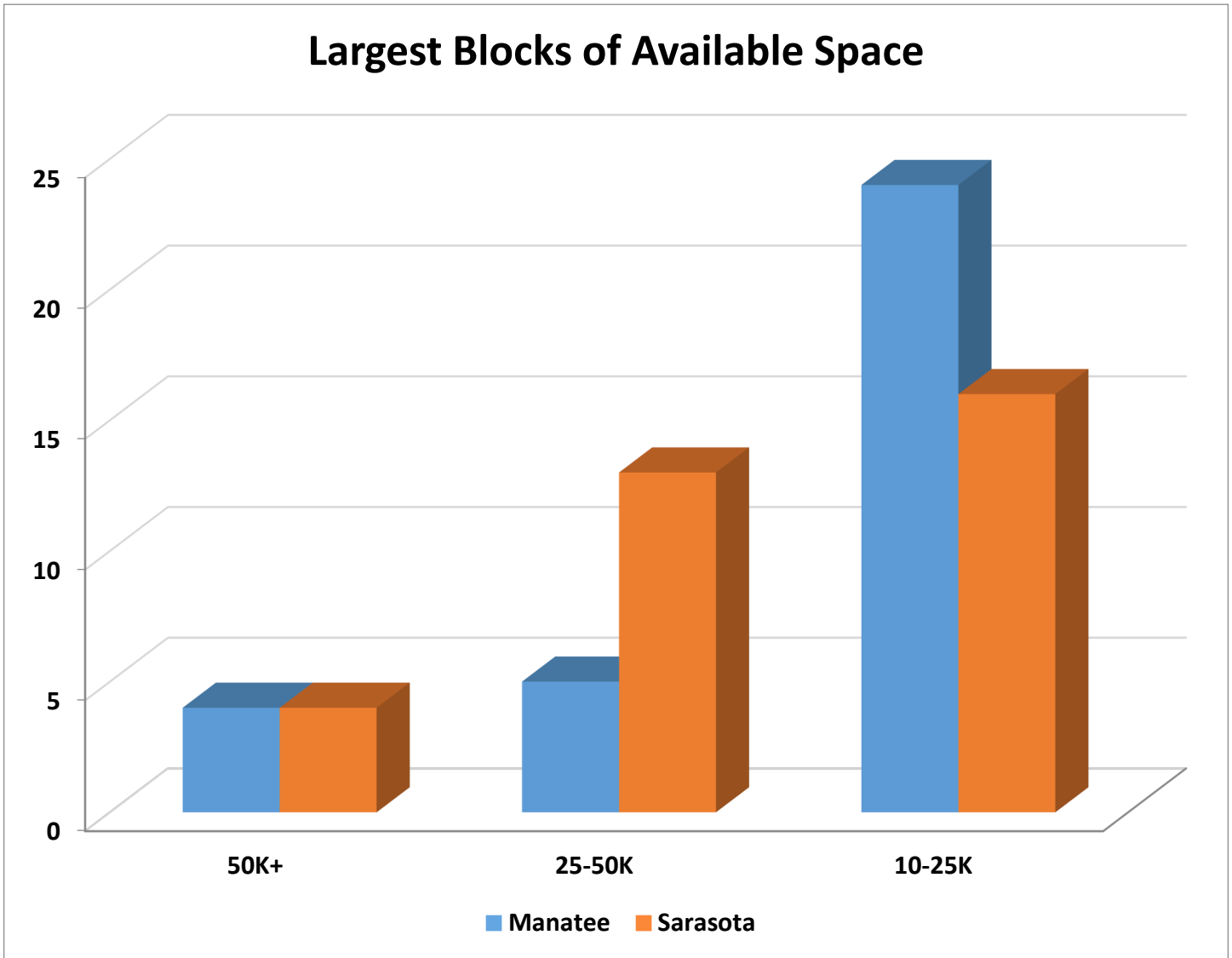


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Manatee	934	22,520,845	1,446,092	1,276,569	5.7%	1,437,342	1,267,819	5.6%	8,750	85,969	278,016
Whse/ Distribution	23	2,805,623	104,050	104,050	3.7%	104,050	104,050	3.7%	0	0	0
Bulk Warehouse	42	3,390,987	43,600	43,600	1.3%	43,600	43,600	1.3%	0	0	137,422
Manufacturing	7	3,198,697	0	0	0.0%	0	0	0.0%	0	0	21,575
Light Industrial	758	10,158,804	885,731	727,275	7.2%	885,731	727,275	7.2%	0	35,744	106,292
Flex	104	2,966,734	412,711	401,644	13.5%	403,961	392,894	13.2%	8,750	50,225	12,727
Sarasota	1,096	19,016,372	1,425,289	1,197,265	6.3%	1,463,239	1,235,215	6.5%	5,650	189,836	35,144
Whse/ Distribution	13	2,850,359	148,479	148,479	5.2%	148,479	148,479	5.2%	0	(2,500)	(14,582)
Bulk Warehouse	20	1,218,202	132,795	131,355	10.8%	176,395	174,955	14.4%	0	63,602	4,560
Manufacturing	3	295,518	20,984	0	0.0%	20,984	0	0.0%	0	88,484	88,618
Light Industrial	828	10,553,689	917,977	732,402	6.9%	913,977	728,402	6.9%	4,000	21,426	(51,031)
Flex	232	4,098,604	205,054	185,029	4.5%	203,404	183,379	4.5%	1,650	18,824	7,579
Grand Total	2,030	41,537,217	2,871,381	2,473,834	6.0%	2,900,581	2,503,034	6.0%	14,400	275,805	313,160

	Direct Vacancy Rate %				Asking Direct Lease Rate (NNN)		
	2015 Q1	2015 Q2	2015 Q3		2015 Q1	2015 Q2	2015 Q3
Manatee	6.50%	6.40%	5.60%		\$5.26	\$5.16	\$5.09
Whse/Distribution	3.40%	3.40%	3.70%		\$4.75	\$4.94	\$4.04
Manufacturing	0.64%	0.00%	0.00%		\$2.50	\$0.00	\$0.00
Light Industrial	8.03%	7.70%	7.20%		\$4.81	\$4.80	\$4.75
Flex	14.80%	15.10%	13.20%		\$6.98	\$7.02	\$6.65
Sarasota	6.00%	6.60%	6.50%		\$5.68	\$6.13	\$6.21
Whse/Distribution	5.30%	5.30%	5.20%		\$5.73	\$5.84	\$0.00
Manufacturing	29.99%	29.90%	0.00%		\$0.00	\$6.00	\$6.00
Light Industrial	5.82%	7.10%	6.90%		\$4.82	\$5.54	\$5.48
Flex	5.20%	4.90%	4.50%		\$7.48	\$8.74	\$8.04
Grand Total	6.30%	6.50%	6.00%		\$5.44	\$5.46	\$5.57

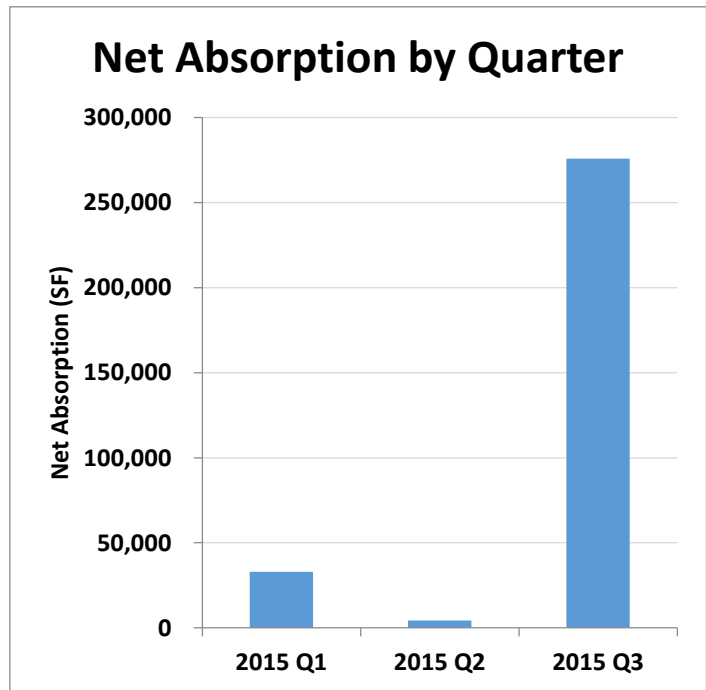
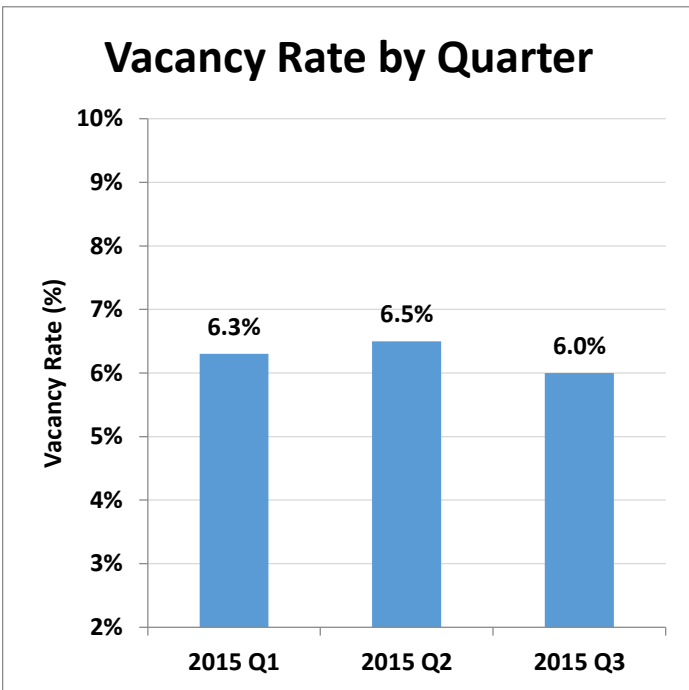
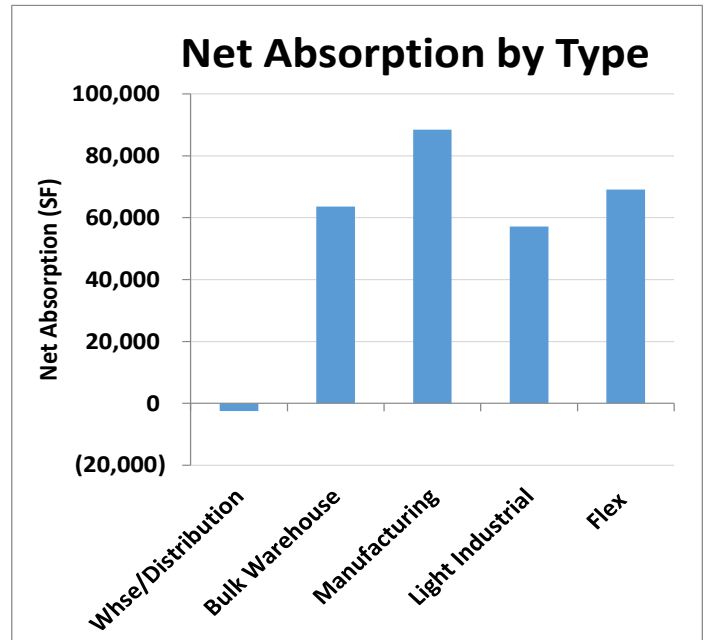
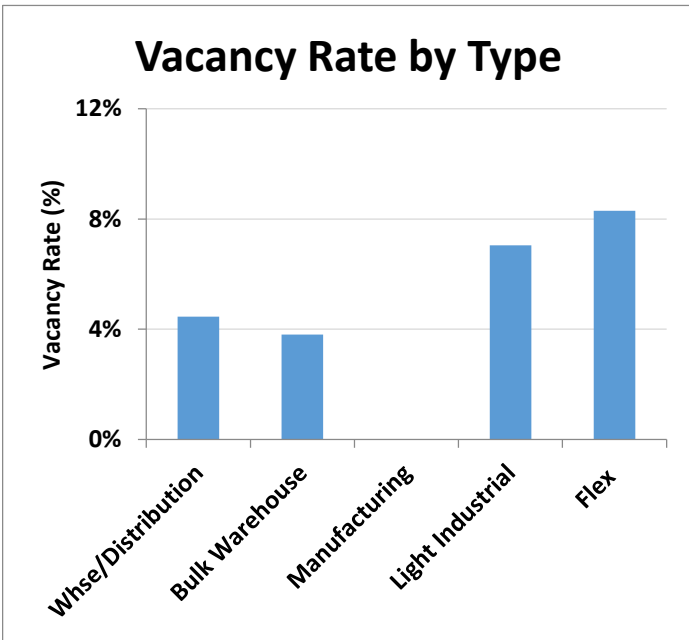
Asking Lease Rate Range by Type (NNN)





Top Lease Transactions					
Property Name	SF Leased	Tenant Name	Market Submarket	Building Type	Transaction Type
4690 19th Street East	44,230	Undisclosed Plastics Company	Manatee Bradenton	Light Industrial	New
7345 16th Street East	22,969	Yarnell Warehouse	Manatee Bradenton	Flex/R&D	Relocation (Local)
7455 16th Street East	18,750	Yarnell Warehouse	Manatee Bradenton	Flex/R&D	Expansion
7455 16th Street East	17,500	24-7 Enterprises	Manatee Bradenton	Flex/R&D	Expansion
6424 Parkland Dr	12,000	SoFlo Diesel LLC	Manatee Bradenton	Light Industrial	N/A

Top Sale Transactions					
Property Name	SF Sold	Buyer Name	Market Submarket	Building Type	Transaction Amount
2150 Whitfield Industrial Way	81,662	Goodwill Industries - Manasota Inc	Manatee Bradenton	Light Industrial	\$1,600,000
6430 14th Street West	47,250	J Rice Holdings LLC	Manatee Bradenton	Light Industrial	\$2,502,500
2220 8th Street	29,600	Katherine Machovec	Sarasota North Sarasota	Light Industrial	\$437,700
3440 Technology Drive - Bldg 1	17,650	Wesco Partners Inc	Sarasota Venice-Englewood	Light Industrial	\$1,725,000
1675 Independence Boulevard	17,600	Properties of DND LLC	Sarasota North Sarasota	Flex/R&D	\$1,135,000



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For additional information about this report or to discuss membership in Xceligent please contact:

Ben Dikman	Director of Client Services	(813) 760-7904	<u>bdikman@xceligent.com</u>
Dennis Rickheeram	Director of Client Services	(813) 526-6868	<u>drickheeram@xceligent.com</u>
Molly O'Brien	Director of Client Services	(941) 685-5197	<u>mobrien@xceligent.com</u>
Danny Rice	Director of Client Services	(407) 562-8094	<u>drice@xceligent.com</u>
Rick Siems	Regional Director of Analytics	(813) 503-6228	<u>rsiems@xceligent.com</u>

Customer Care
1-866-303-2895
cdxsupport@xceligent.com