Miami, Florida
Industrial Report/1st Quarter 2008

Flex Market Statistics

First Quarter 2008

Market	Existing Inventory # Blds	Existing Inventory Total RBA	Vacancy Direct SF	Vacancy Total SF	Vacancy Vac %	YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Central Miami Ind	5	74,284	0	0	0.0%	0	0	0	$0.00
East Miami Ind	6	197,801	8,000	8,000	4.0%	(3,000)	0	0	$34.67
Hialeah Ind	32	803,099	11,630	11,630	1.4%	2,000	0	0	$17.00
Medley Ind	37	1,845,629	109,163	132,572	7.2%	(117,652)	0	0	$9.68
Miami Airport Ind	261	11,637,774	649,814	675,162	5.8%	67,123	0	33,437	$15.05
Miami Lakes Ind	34	1,404,277	143,374	143,374	10.2%	(7,848)	0	0	$9.26
North Miami Beach Ind	45	1,088,486	110,076	124,781	11.5%	(3,931)	0	66,028	$10.77
Outlying Miami-Dade Ind	0	0	0	0	0.0%	0	0	0	$0.00
South Central Miami Ind	90	1,953,048	311,340	323,190	16.5%	(5,040)	0	0	$19.77
South Dixie Hwy Ind	46	1,458,239	81,815	81,815	5.6%	(23,560)	0	17,351	$15.67
Southwest Dade Ind	53	991,550	44,905	44,905	4.5%	8,004	17,700	0	$15.02
West Miami/Coral Ter Ind	21	354,561	33,920	33,920	9.6%	1,036	0	0	$18.25
Totals	**630**	**21,808,748**	**1,504,037**	**1,579,349**	**7.2%**	**(82,868)**	**17,700**	**116,816**	**$16.08**

Source: CoStar Property®

Warehouse Market Statistics

First Quarter 2008

Market	Existing Inventory # Blds	Existing Inventory Total RBA	Vacancy Direct SF	Vacancy Total SF	Vacancy Vac %	YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Central Miami Ind	208	4,043,180	157,966	157,966	3.9%	33,407	0	0	$10.10
East Miami Ind	269	3,981,726	363,410	363,410	9.1%	5,335	0	0	$9.35
Hialeah Ind	1,507	39,221,121	2,994,781	3,034,781	7.7%	(215,730)	130,000	0	$6.78
Medley Ind	796	27,414,880	1,686,811	1,764,249	6.4%	(114,321)	281,921	669,350	$8.68
Miami Airport Ind	1,800	65,517,745	3,694,666	3,868,315	5.9%	396,463	276,382	525,493	$9.11
Miami Lakes Ind	235	10,779,175	896,406	1,033,781	9.6%	(401,221)	36,000	72,800	$7.99
North Miami Beach Ind	888	32,385,906	1,329,046	1,339,546	4.1%	32,945	84,000	204,513	$7.46
Outlying Miami-Dade Ind	29	399,475	0	0	0.0%	0	0	0	$0.00
South Central Miami Ind	963	15,079,464	848,044	856,249	5.7%	(14,790)	0	0	$10.80
South Dixie Hwy Ind	398	7,357,089	370,967	370,967	5.0%	(69,931)	0	10,050	$8.73
Southwest Dade Ind	321	7,868,646	454,262	454,262	5.8%	139,245	221,366	85,901	$10.72
West Miami/Coral Ter Ind	218	4,161,873	28,243	28,243	0.7%	(2,025)	0	0	$12.37
Totals	**7,632**	**218,210,280**	**12,824,602**	**13,271,769**	**6.1%**	**(210,623)**	**1,029,669**	**1,568,107**	**$8.27**

Source: CoStar Property®

Total Industrial Market Statistics

First Quarter 2008

Market	Existing Inventory # Blds	Existing Inventory Total RBA	Vacancy Direct SF	Vacancy Total SF	Vacancy Vac %	YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Central Miami Ind	213	4,117,464	157,966	157,966	3.8%	33,407	0	0	$10.10
East Miami Ind	275	4,179,527	371,410	371,410	8.9%	2,335	0	0	$11.05
Hialeah Ind	1,539	40,024,220	3,006,411	3,046,411	7.6%	(213,730)	130,000	0	$6.82
Medley Ind	833	29,260,509	1,795,974	1,896,821	6.5%	(231,973)	281,921	669,350	$8.69
Miami Airport Ind	2,061	77,155,519	4,344,480	4,543,477	5.9%	463,586	276,382	558,930	$9.61
Miami Lakes Ind	269	12,183,452	1,039,780	1,177,155	9.7%	(409,069)	36,000	72,800	$8.06
North Miami Beach Ind	933	33,474,392	1,439,122	1,464,327	4.4%	29,014	84,000	270,541	$7.52
Outlying Miami-Dade Ind	29	399,475	0	0	0.0%	0	0	0	$0.00
South Central Miami Ind	1,053	17,032,512	1,159,384	1,179,439	6.9%	(19,830)	0	0	$15.27
South Dixie Hwy Ind	444	8,815,328	452,782	452,782	5.1%	(93,491)	0	27,401	$9.35
Southwest Dade Ind	374	8,860,196	499,167	499,167	5.6%	147,249	239,066	85,901	$10.94
West Miami/Coral Ter Ind	239	4,516,434	62,163	62,163	1.4%	(989)	0	0	$13.10
Totals	**8,262**	**240,019,028**	**14,328,639**	**14,851,118**	**6.2%**	**(293,491)**	**1,047,369**	**1,684,923**	**$8.72**

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INDUSTRIAL

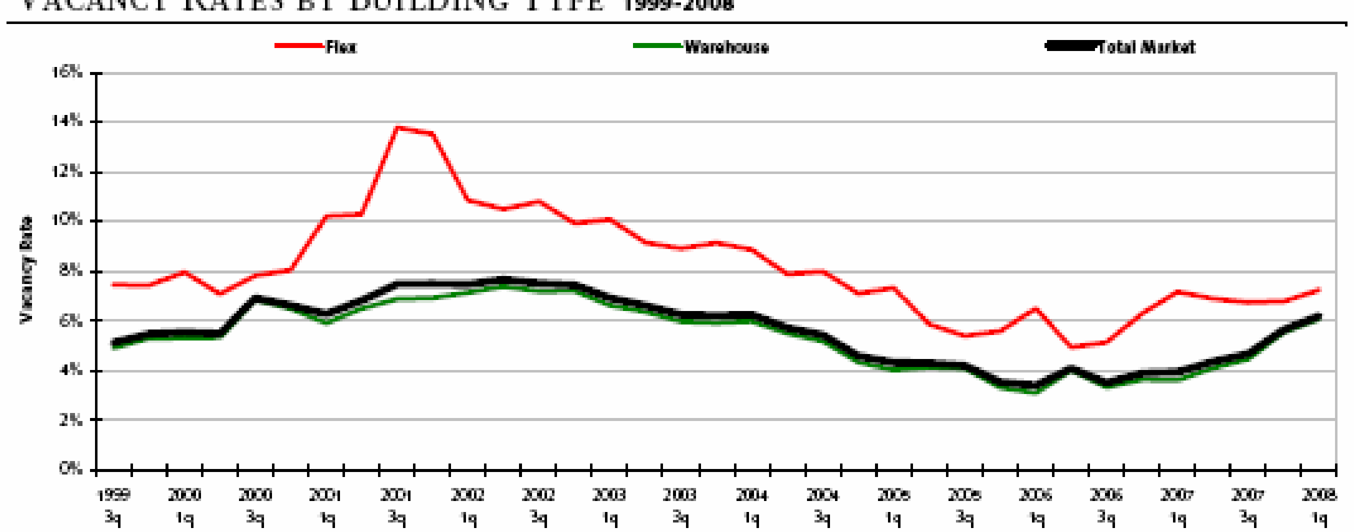
As might be expected, the industrial market of Miami-Dade County is witnessing slowing absorption and increasing vacancy. This falls in line with the economic pressures affecting most real estate assets and related industries. According to the latest reports, the vacancy rate for industrial/flex space has increased by 0.7 % over the last quarter of 2007 to 6.3%. Although this represents a sizable drop in occupancy for the latest quarter, the overall vacancy rate is still small in comparison with prior periods of economic downturns.

Absorption of the available space has continued to slow over the last quarter of 2007 with net absorption of a negative 870,399 square feet this quarter continuing the trend from last quarter of a negative 1,320,744 square foot absorbed. This will create pressure to level rental rates and stabilize sales values. Landlords are becoming more proactive in offering rental concessions and tenant improvement dollars to maintain tenants.

The market is still seeing large institutional and national developers looking at the Miami-Dade market its logistical and international appeal. One example is the announcement by Hyundai Mobis to open up its Latin American headquarters and a 400,000 square foot distribution facility to export parts to Central and South America. In addition, Goya Foods' relocation to a facility which is 120,000 square feet larger than their current location of 42,710 SF will keep them in the AirportWest/ Doral Market after they considered moving to other parts of the state. Although these transactions represent new product being built and added to the overall inventory, it signifies a great need for companies to maintain operations and locate in the Miami-Dade market.

The strength of the industrial market in Miami-Dade county and its strong economic ties to South America and Europe will help in diversifying the users in the market and hedge against a potential downturn of the domestic economy. This might not prevent a further drop in vacancy over the next year as contraction and consolidation continues, but should limit the downturn.

Vacancy Rates by Building Type 1999-2008



Source: CoStar Property®

Select Top Industrial Leases—2008

	Building	Submarket	SF	Qtr	Tenant Name
1	Flagler Station - #26	Medley Ind	126,767	1st	Pricemart
2	Flagler Station - #22	Medley Ind	121,979	1st	Countywide of Miami, Inc.
3	International Corp Park - Bldg #16*	Miami Airport West Ind	100,800	1st	Schenker, Inc.
4	RB4	Medley Ind	85,300	1st	Deal Tire
5	Int'l Corporate Park - Bldg 1	Miami Airport West Ind	58,104	1st	Schenker, Inc.
6	625 E 10th Ave	Hialeah Ind	45,000	1st	Rem Systems Inc
7	International Corp Park - Bldg 3*	Miami Airport West Ind	40,186	1st	Yusen Air & Sea Services
8	7800 NW 25th St	Miami Airport West Ind	40,000	1st	Pas Cargo
9	Flagler Station - RB1	Medley Ind	36,000	1st	Countywide of Miami, Inc
10	International Corp Park - Bldg 15- Lucent*	Miami Airport West Ind	33,600	1st	Dufry AG
11	Americas' Gateway Park	Miami Airport West Ind	31,000	1st	Marcone Appliance Parts Company
12	Miami International Commerce Center	Miami Airport West Ind	28,540	1st	American River International
13	Doral Distribution Ctr	Miami Airport West Ind	21,900	1st	Marco-Destin, Inc.
14	Sunshine Terminal #1	North Miami Beach Ind	21,600	1st	N/A
15	Miami Int'l Commerce Center - Bldg P	Miami Airport West Ind	20,000	1st	N/A
16	Flagler Station - DFLW	Medley Ind	19,900	1st	All Services
17	Flagler Station - OW1	Medley Ind	15,910	1st	Argix
18	Skyway Center	Miami Airport East Ind	15,090	1st	ZUO Modern Contemporary, Inc.
19	Gillam Joint Venture	North Miami Beach Ind	12,600	1st	Konkreto, Inc.
20	16491 NW 49th Ave	Miami Lakes Ind	12,500	1st	Piteck Color, Corp.
21	Lakeside Corporate Center A	Miami Lakes Ind	12,000	1st	Traco Windows
22	4505 NW 46th St	Miami Airport East Ind	11,000	1st	Rik-Fer USA, Inc.
23	600 SW 1st Ave	South Central Miami Ind	10,000	1st	KLA Holding LLC
24	3183 NW South River Dr	South Central Miami Ind	10,000	1st	Cremesis, Inc.
25	497 W 28th St	Hialeah Ind	8,000	1st	Innovative Concept Design Inc
26	Americas' Gateway Park - Bldg 2	Miami Airport West Ind	7,260	1st	Info-Buy USA Corp
27	Cohen Ind. Airport Park	Hialeah Ind	7,000	1st	AMTEC, LLC
28	5150 NW 165th St	Miami Lakes Ind	5,836	1st	Maple MC Furniture Co
29	8741 NW 102nd St	Medley Ind	5,088	1st	United Global Trading
30	West Hialeah	Hialeah Ind	4,000	1st	Pro Wood Custom Furniture
31	1924 NE 148th St	North Miami Beach Ind	3,000	1st	Interior Concepts
32	Webster Park	Miami Airport East Ind	2,400	1st	Exclusive Recovery Services
33	Webster Park	Miami Airport East Ind	2,400	1st	Elore Enterprises
34	Webster Park	Miami Airport East Ind	2,400	1st	Lockey Distributors
35	Webster Park	Miami Airport East Ind	2,400	1st	Pegasus Int'l Custom Broker
36	Milam Industrial Center - Bldg C	Miami Airport East Ind	2,285	1st	Olympus USA
37	2600 NW 72nd Ave	Miami Airport East Ind	1,900	1st	Delta Aviation, Inc
38	3970 - 3990 NW 132nd St	North Miami Beach Ind	1,500	1st	Roth Racing
39	18631 SW 105th Ave	South Dixie Hwy Ind	1,500	1st	Viking Kabinets, Inc.
40	7202 NW 31 St	Miami Airport East Ind	1,020	1st	Fiallo International

Source: CoStar Property®
* Renewal

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