



CELEBRATING
100
YEARS

Florida Industrial
LOGISTICS
REPORT
2017



CONTENTS

Florida plays an important part in supply chains worldwide. It is at the crossroads of growing north-south and east-west trade lanes, which will have access to more than 1.0 billion consumers in the western hemisphere by 2030.

As a leading job generator over the past five years with an expanding consumer market, Florida's logistic network services the 3rd most populous and the 8th densely state in the nation. Over 7.0 million twenty-foot equivalent units/containers, or TEU's, came into the state last year. Half of those directly through the ports and the other half overland via truck or rail from other markets in the U.S.

The logistics of efficiently moving goods through the state are increasingly a focus for new investment. Billions are being spent chasing capacity improvement to maintain a world class infrastructure that provides the state with unparalleled opportunity to be a trade hub for the next century. Florida's ports, rail lines and interstate systems provide clear advantages over other markets for the movement of cargo in an ever-increasing interconnected trade network.

Florida is unique in being a bridge between the old and new worlds; established and emerging markets. It is able to adapt to variations in trade growth and shifts in geography of world production and consumption.



POPULATION



20.1 million
(2016)



1.8% growth
(2016)



8.6 million
employed



2.9% Y-O-Y
growth

Source: Cushman & Wakefield Research Services, Altreyx

TOURISM



112 million visitors
(5.4% increase over 2015)

2.2 million visitors come to Florida on any given day



15.2 million
passengers (2016)

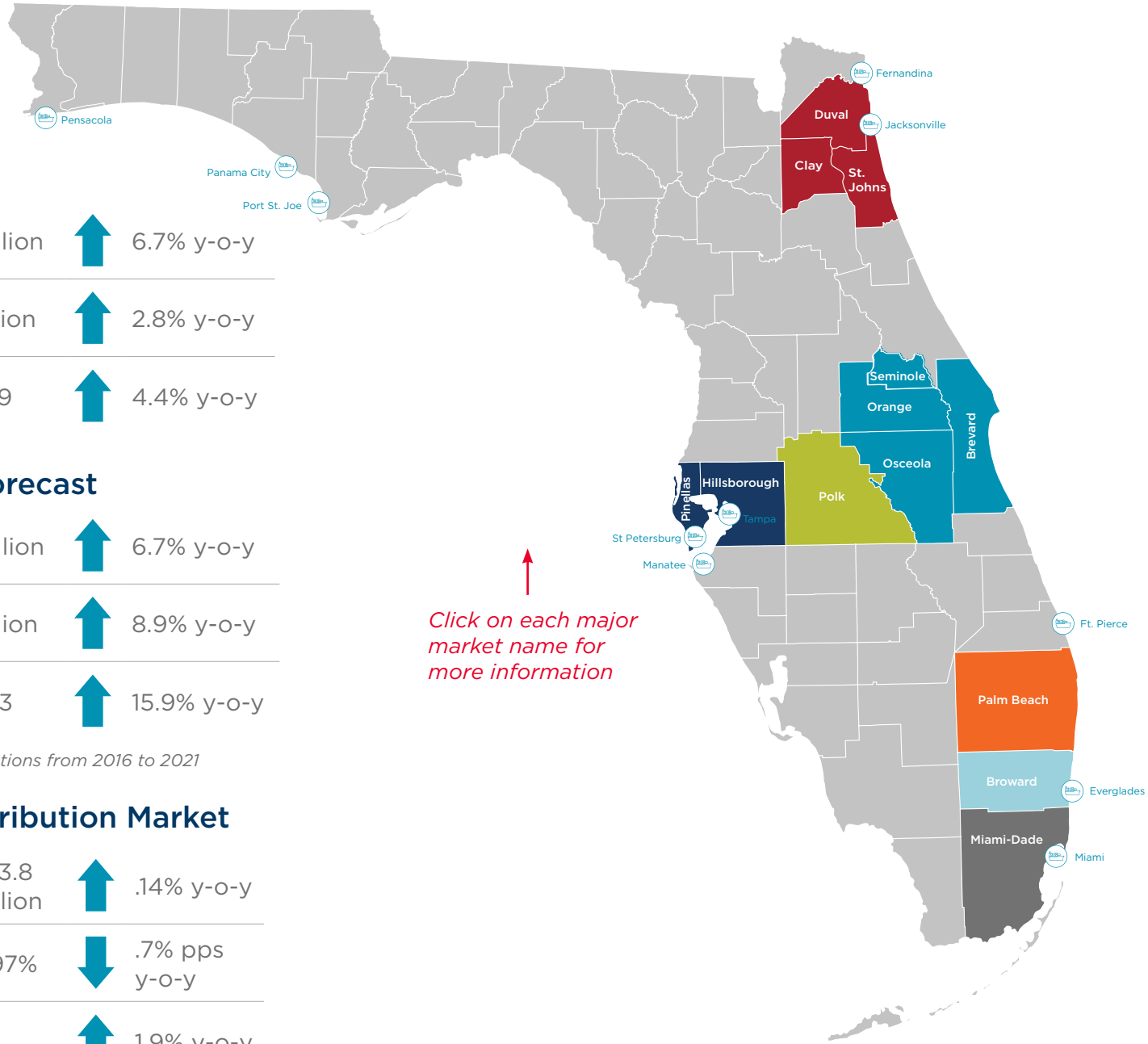


\$108.8 billion
in taxable sales



1.4 million
employed in the tourism industry

Source: Visit Florida - Power of Florida Tourism



2017 Demographics

	Population	20.1 Million		6.7% y-o-y
	Jobs	8.6 Million		2.8% y-o-y
	Household Income	\$69,879		4.4% y-o-y

2021 Demographic Forecast

	Population	21.4 Million		6.7% y-o-y
	Jobs	10.1 Million		8.9% y-o-y
	Household Income	\$80,973		15.9% y-o-y

Source: Altrex; showing growth projections from 2016 to 2021

2017 Warehouse/Distribution Market

	Total Market	663.8 Million		.14% y-o-y
	Direct Vacancy	4.97%		.7% pps y-o-y
	Availabilities over 100k	38		1.9% y-o-y

Source: Cushman & Wakefield Research Services, CoStar, Moody's

Click on each major market name for more information

Source: Moodys Analytics, Cushman & Wakefield Research

Logistics Systems



State highway system with 4 primary and 9 auxiliary interstates sees **195,755 million annual vehicle miles** (2016)



15 deep-water ports moved over **100 million metric tons** of cargo, 90% out of 3 major east coast ports (2016)



Over **2,800 miles of rail** lines, and 2 Class I railroads, move over **98 million tons** of freight



20 commercial use airports and 129 public use aviation facilities move almost 3 million tons of cargo, 80% of it through Miami International Airport



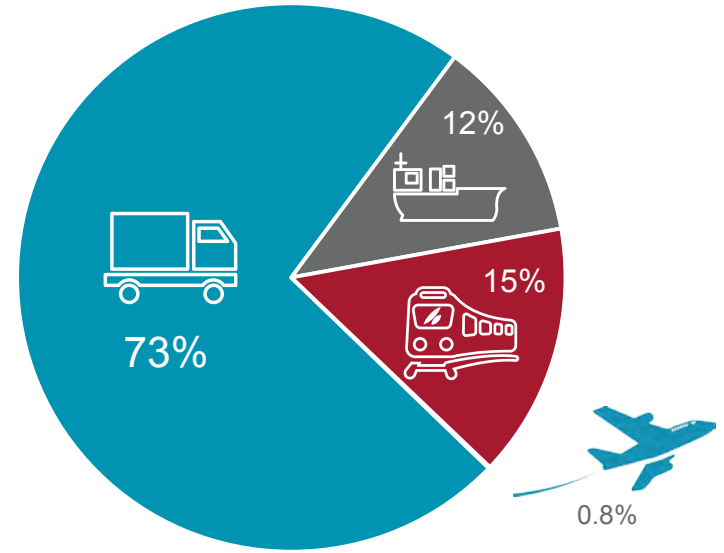
Two east coast spaceports with five active launch facilities

INFRASTRUCTURE

TRADE FLOWS

Freight Flow by Mode

(millions of tons, domestic/international)



Source: FL Chamber - FL Trade and Logistics Study

Waterborne Cargo Statewide

Florida TEU/Container Data

FY 2015-2016 TEUs	3,574,179
Y-o-Y	1%
FY 2015-2016 Container (tons)	107,313,326
Y-o-Y	4%

Source: Cushman & Wakefield Research Services

Supply

There was 479 million sf of warehouse/distribution space in Florida spread over the eight major markets at the end of the second quarter 2017. Current projects under construction account for another 9.2 million sf of new inventory, representing an additional 1.9% of existing inventory.

Over the past 5 years the growth rate for new warehouse/distribution space was roughly 1.2% of existing inventory annually. If the market remained constant and at full space utilization, a conservative estimate has almost 24.0 million sf of new space could be added to inventory by 2022.

Future demand for warehouse/distribution space can be tied to forecasted population growth over the same period. Population is projected to grow by 1.3% annually to 2022. By 2022 over 32.0 million sf of new warehouse/distribution space will potentially be needed if demand is tied to population growth.

Based on current construction trends and estimated demand, by 2022 there could be 8.0 million sf shortfall in warehouse/distribution space needed.

Note: The approximate estimation of need is based on general assumptions and it not intended as a forecast of future absorption. It does not take into consideration the cyclical nature of the real estate market nor fluctuations in consumer spending.

Source: Cushman & Wakefield Research, 2017

Demand

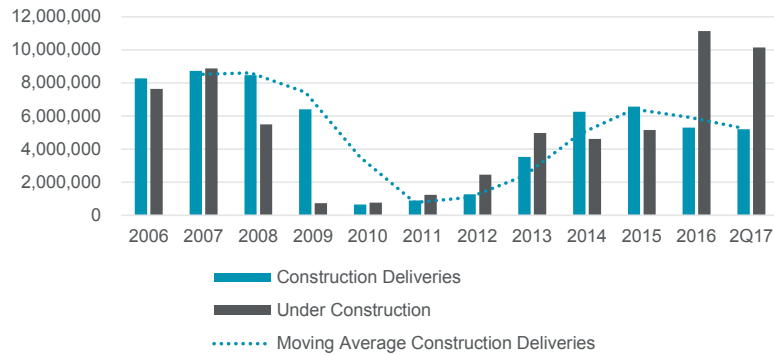
There was \$9.9 billion in transactions in 2016 for warehouse/distribution space totally 22.4 million square feet. Sale activity occurred throughout the state with the Orlando market leading with 4.3 million square feet, followed by Miami-Dade with 4.2 million square feet. Florida warehouse sales commanded an average cap rate of 7.0% in 2016. Core product cap rates have remained below 7.0% for 20 quarters straight, averaging 6.0% in 2016. The purchaser pool was diverse in Florida, however, REITs were responsible for 44% of the total sales volume last year.



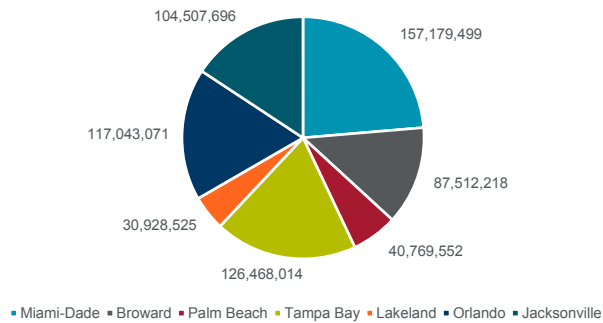
Florida Statistics

	Total Industrial	Warehouse/Distribution
# Buildings	11,913	7,925
Inventory	663,829,266	479,602,405
Overall Vacancy	5.0%	5.4%
Sublease Vacancy	1,005,021	719,298
Direct NNN Rents	\$7.03	\$6.39

Construction Trends



Inventory - Total industrial



2Q2017

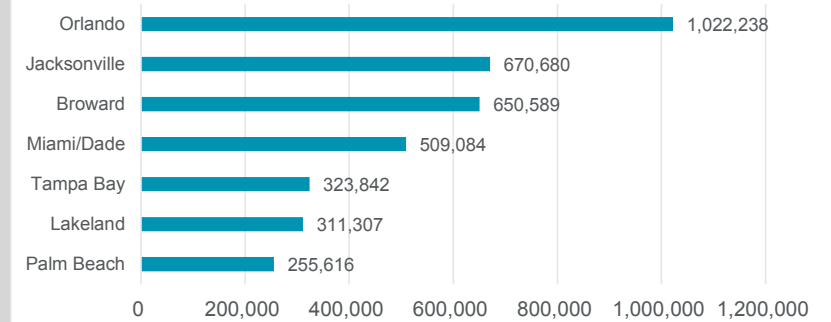
SUPPLY

Forecast



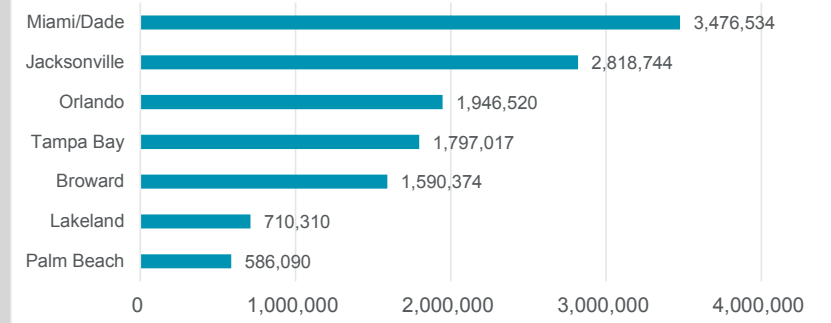
Demand Analysis

Absorption - Total Industrial



Market Activity

Leasing Activity - Total Industrial



DEMAND

Seaports

Ports in Florida invest heavily to enhance capacity and efficiency in moving containers, or TEUs (twenty-foot equivalent units) to and from ships. They initiated strategies including deepening/widening channels, berth redevelopment, on-dock intermodal transfer facilities, and enhancing connections to regional transportation networks.

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.



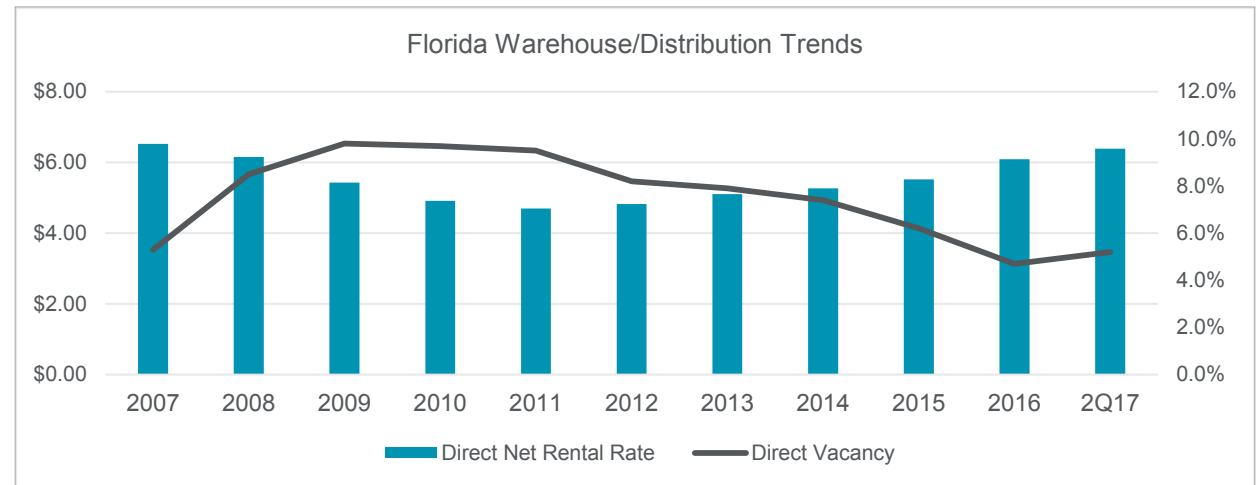
	Jacksonville	Central Florida/ Orlando	Tampa Bay	Lakeland	Palm Beach	Broward	Miami-Dade
Population	1,500,000	2,520,000	3,070,000	673,000	1,490,000	1,960,000	2,751,000
Labor Market	690,000	1,250,000	1,340,000	222,000	698,000	1,000,000	1,180,400
Unemployment Rate (2Q17)	3.8%	3.7%	3.8%	4.4%	3.9%	4.3%	4.7%
Retail Sales (2016)	\$24.3 billion	\$59.9 billion	\$50.5 billion	\$87.6 million	\$28.6 billion	\$36.9 billion	\$51.3 billion
Population (300 Miles)	27.3 million	21.9 million	21.6 million	21.5 million	19.2 million	17.9 million	17.6 million
W/D Inventory (SF)	76,549,952	88,930,794	73,904,781	21,349,588	26,494,475	60,990,177	131,382,278
W/D Vacancy Rate (%)	6.4%	4.8%	5.1%	6.2%	4.6%	4.3%	5.2%
W/D Rental Rate (PSF/NNN)	\$4.07	\$5.42	\$5.13	\$5.14	\$9.65	\$8.42	\$8.24
W/D Under Construction (SF)	3,343,476	950,541	1,153,998	605,920	296,800	999,254	1,918,130
Port Volume (TEU)	968,279	2,745	49,716	N/A	267,000	1,037,226	1,028,156
Port Volume (Bulk/Tons)	19,020,000	5,520,000	37,530,000	N/A	2,519,225	24,680,000	8,777,974
Inbound Full TEUS	634,958	N/A	25,684	N/A	N/A	739,326	393,202
Channel Depth	41'	43'	40'	N/A	33'-35'	42'-(est) 48'	50'-52'
Imports/Exports (billions)	\$17.3/\$6.04	\$0.9/\$0.06	\$1.8/\$1.8	N/A	\$0.4/\$1.6	\$10.4/\$11.7	\$14.3/\$9.5
Port Capital Improvements (2015-2020)	\$1,920,327,000	\$752,542,000	\$349,490,000	N/A	\$12,884,000	\$792,552,000	\$290,978,000
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 limited 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 restrain 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 Services, Moody's Analytics, Bureau of Labor Statistics











Trends to Look Out For...

- Capacity and efficiency improvements over the next five years at Florida ports have the potential to capture market share from out-of-state ports and change supply chain dynamics.
- Highway and rail congestion throughout the state could lead to an increase in domestic cargo being shipped through the ports instead of overland.
- “Last Mile” delivery facilities remain limited in most markets due to density and a lack of existing options in urban cores which with further push development opportunities to outlying submarkets.



Source: Cushman & Wakefield Research Services

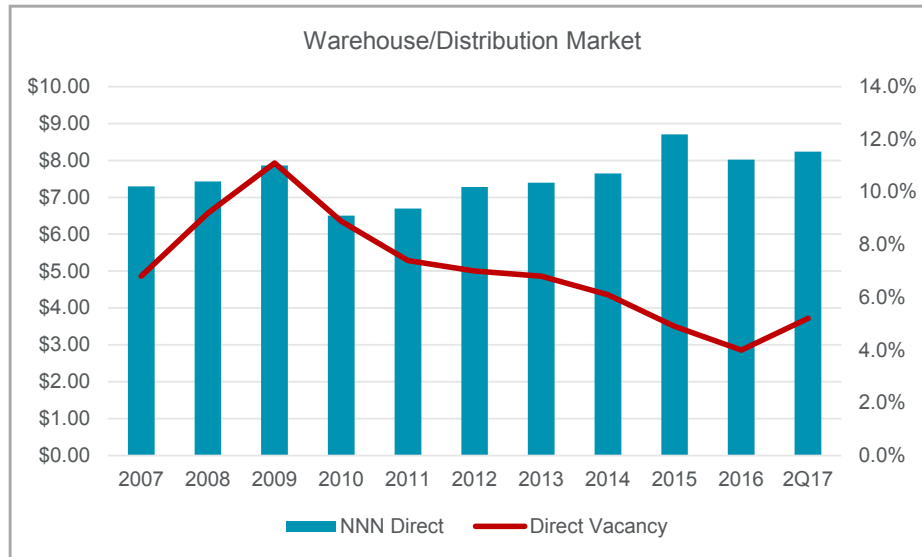
Statistics

	Population	2.7 Million		1.4% y-o-y
	Jobs	1.18 Million		2.0% y-o-y
	Household Income	\$47,300		4.6% y-o-y
	Population 300 Miles	17.6 Million		
	Unemployment Rate	4.7%		


Miami-Dade's 131 million square feet of warehouse/distribution space services the second largest metro market in the Southeast. Major distributors like 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. Many large e-commerce and logistics companies, including Amazon, Sysco and Fed-Ex have recently expanded in the market.

Market Indicators


Inventory (msf)	131,382,278
Overall Vacancy	4.2%
Direct NNN Rents	\$8.24
Under Construction	1,918,130
Leasing Activity	3,209,127
Absorption	300,712




FORECAST




Vacancy



Rents



Leasing

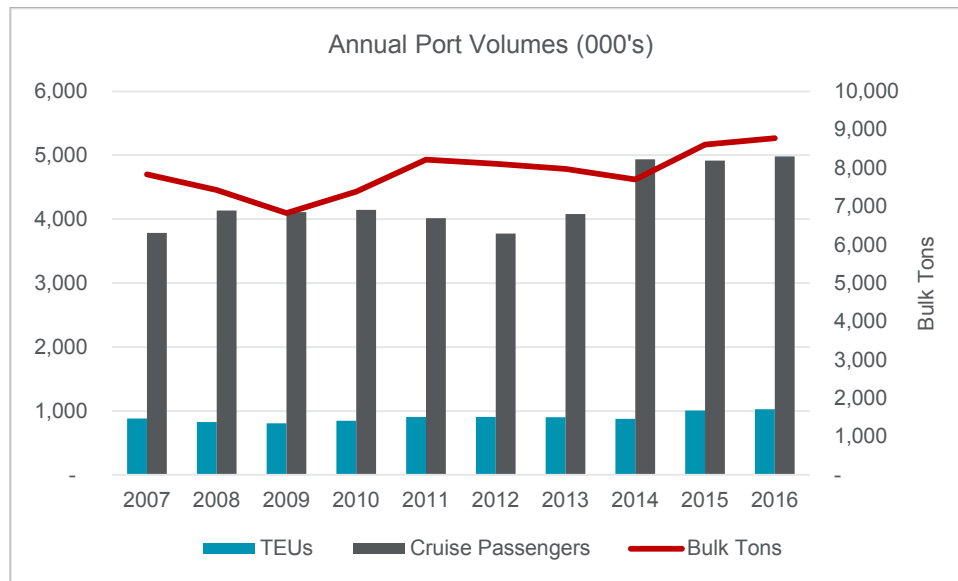


Construction

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

Miami-Dade is the epicenter of the growing North-South trade lanes and is the largest import market in Florida for goods from Asia.

Annual TEU Volume & Bulk Tonnage



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

Market Strengths









- Capacity improvements at the port have already been completed, including dredging and berth upgrades for larger Post-Panamax ships.
- Import/export balance makes the Miami market more attractive to supply chains looking for lower processing costs due to the smaller amount of empty containers coming in and going out.
- Only port in the U.S. with direct interstate access to the highway system.

Market Challenges

- Situated on an island in the middle of Biscayne Bay limits the port's growth potential. Cruise operations take up half of the port's footprint.
- On-dock rail handles less than 10% of all TEUs processed at the port. Location at the end of a peninsula adds an additional half to full day to transit times to out-of-state markets.
- Congestion on area highways and rail systems add cost, time delays, and creates supply chain uncertainties.



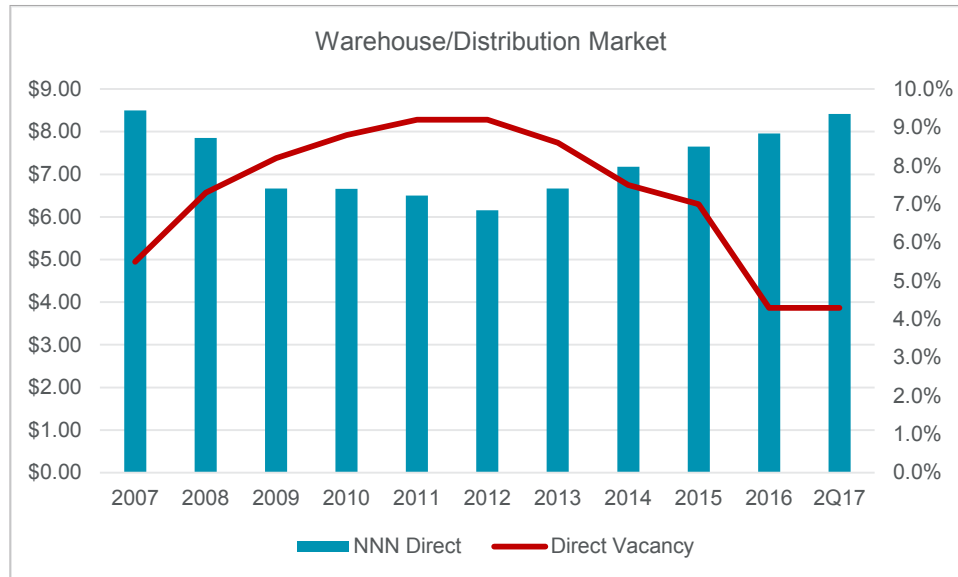
Statistics

	Population	1.9 Million		1.8% y-o-y
	Jobs	84,700		3.1% y-o-y
	Household Income	\$58,400		4.9% y-o-y
	Population 300 Miles	17.9 Million		
	Unemployment Rate	4.3%		



Broward County, a part of the second largest metro in the Southeast, is a major player in international trade with Port Everglades and an expanding international airport. Distributors are drawn to its central location in South Florida between Miami and West Palm Beach. Broward County's diverse labor pool and high quality of life has attracted several major corporations including AutoNation, American Express, and DHL Express.

Market Indicators



Inventory (msf)	60,990,177
Overall Vacancy	4.3%
Direct NNN Rents	\$8.42
Under Construction	999,254
Leasing Activity	1,187,868
Absorption	574,849





FORECAST



Vacancy

Rents

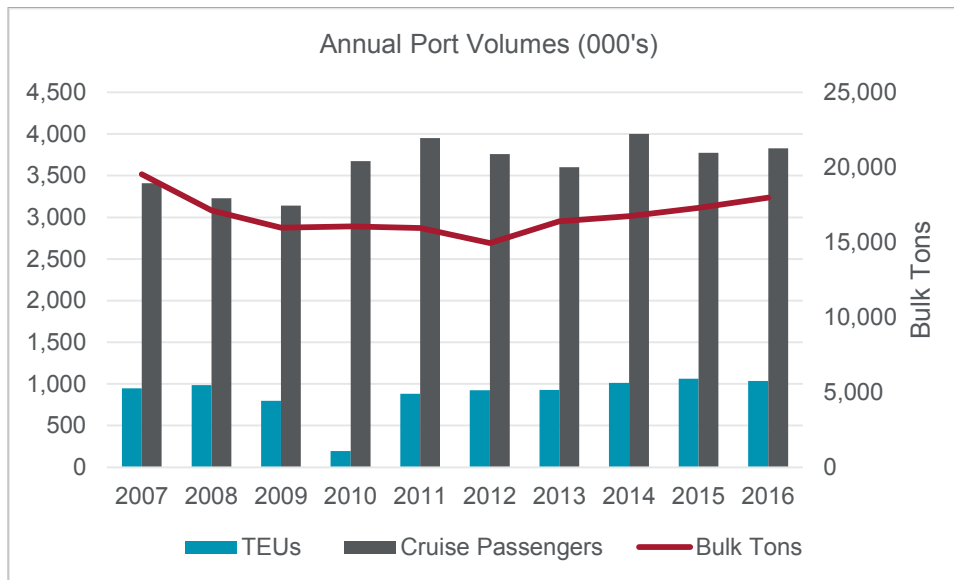
Leasing

Construction

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)	1,0387,226
% 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

Annual TEU Volume & Bulk Tonnage



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

Broward County serves the South Florida region and is able to provide speedy and reliable connections for goods between different modes of transportation.

Market Strengths









- Adjacent dock rail has the capacity to process 450,000 TEUs annually for quick cargo transport to end markets.
- Supplies the 22 South Florida counties with oil, gas and petroleum products.
- Superior connections to interstates and Turnpike with direct access to the Gulf Coast of Florida.

Market Challenges

- Higher rent and operating costs for warehouse/distribution space than comparable ports along the East Coast.
- Costly deepening and dredging improvements will not be completed until 2022.
- Port is predominantly inbound with limited opportunities to increase outbound capabilities in the near term.



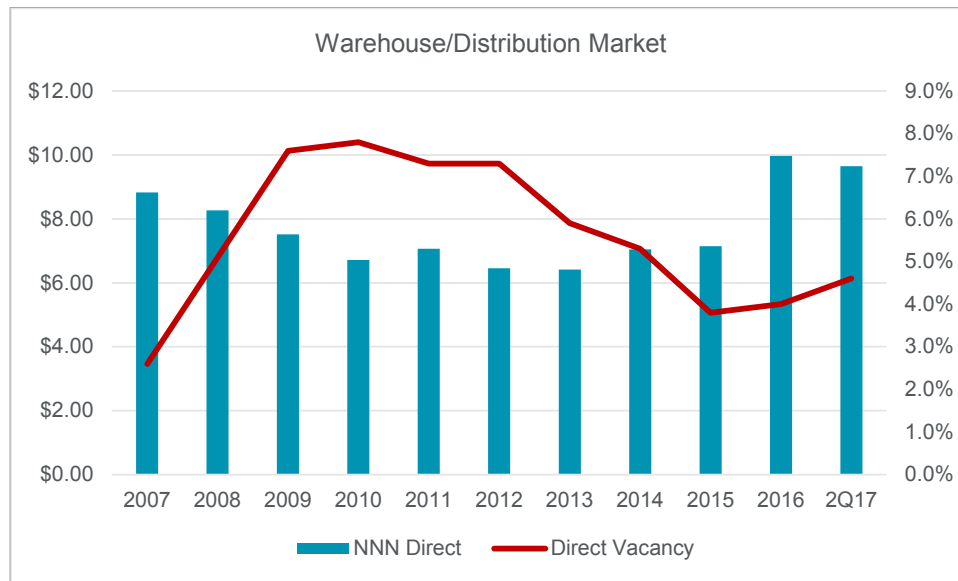
Statistics

	Population	1.4 Million		2.7% y-o-y
	Jobs	621,500		2.1% y-o-y
	Household Income	\$62,000		6.4% y-o-y
	Population 300 Miles	19.1 Million		
	Unemployment Rate	3.9%		

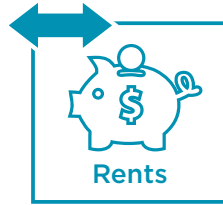

Palm Beach County is one the wealthiest counties in the U.S. with per capita incomes nearly 50% higher than state and national averages. Its strategic location makes it an ideal choice for companies that need to service the South Florida market. Distributors such as Aldi, Walgreens, and UPS were attracted to Palm Beach County’s local market as well as its centralized location between Orlando and Miami.

Market Indicators

Inventory (msf)	26,494,475
Overall Vacancy	4.6%
Direct NNN Rents	\$9.65
Under Construction	296,800
Leasing Activity	394,045
Absorption	103,695

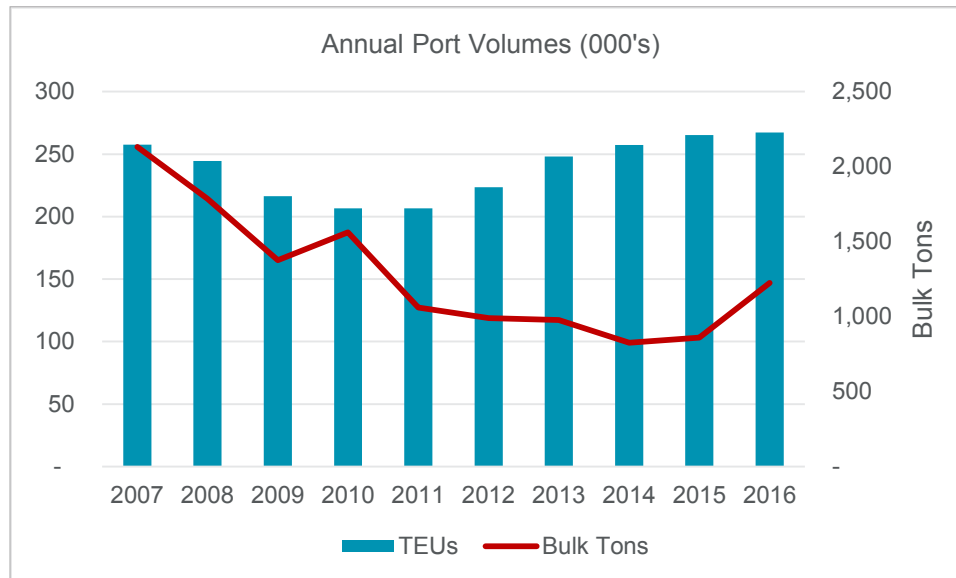


FORECAST

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
% 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

Annual TEU Volume & Bulk Tonnage



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

Palm Beach County's strong transportation links and abundant development opportunities make it strategic location for logistics companies.

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.
- Strong supply chain connections with the economies in the Caribbean.

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.
- Higher rent and operating costs for warehouse/distribution space than Broward and Miami-Dade counties.



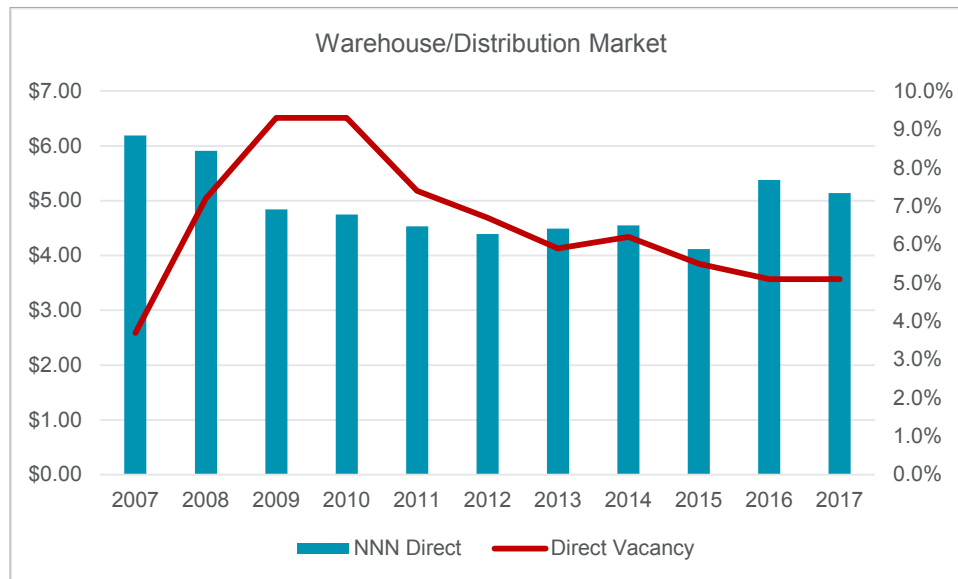
Statistics

	Population	3.08 Million		1.8% y-o-y
	Jobs	1,333,500		2.8% y-o-y
	Household Income	\$53,300		4.9% y-o-y
	Population 300 Miles	21.6 Million		
	Unemployment Rate	3.8%		



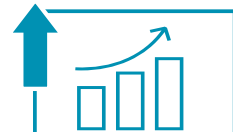

Over the past ten years Tampa Bay has completely transformed into a powerhouse metro in the Southeast. Companies are tapping into the area's diverse workforce, plethora of new development, and access to multi-modal transportation. Tampa Bay is home to numerous corporate headquarters like Bloomin' Brands and Raymond James, as well as major distributors such as Amazon and Ashley Furniture.

Market Indicators

Inventory (msf)	73,904,781
Overall Vacancy	5.10%
Direct NNN Rents	\$5.14
Under Construction	1,152,998
Leasing Activity	1,212,223
Absorption	448,131

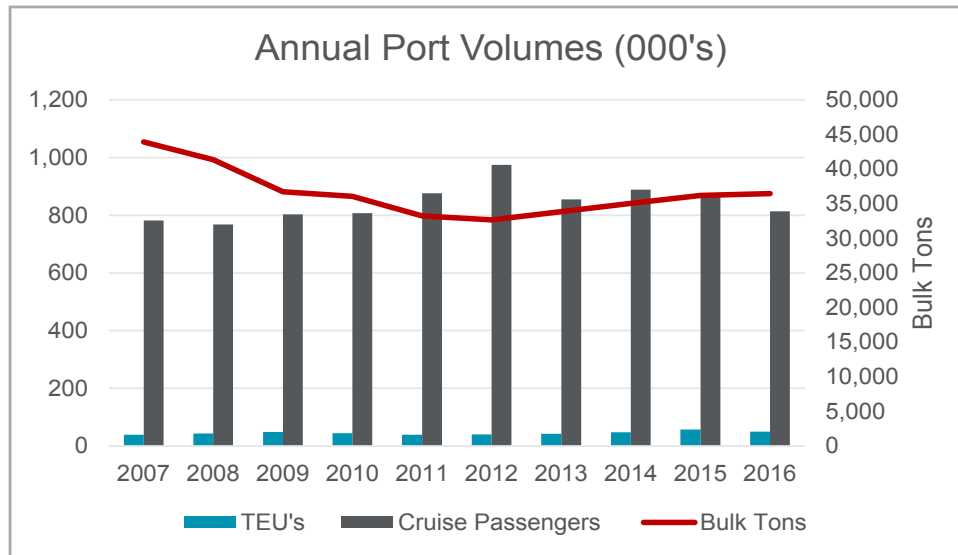


FORECAST

 Vacancy	 Rents
 Leasing	 Construction

Logistics Statistics	
Trucking/Freeways	I-275, I-4, Veterans Expressway, Selmon Expressway
Rail Lines	CSX
Airports	Tampa International Airpor (TPA), St. Petersburg/Clearwater International Airport (PIE)
Port Data (Total TEU Volume)	49,719
% 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

Annual TEU Volume & Bulk Tonnage



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

Tampa Bay's links between the ports, highway system and rail lines continues to attract major ecommerce and logistics companies.









Market Strengths

- Over the last eighteen months the port has competed capital improvement projects that added Post-Panamax cranes and expanded port facilities, including an additional rail spur.
- As one of the fastest growing metros in the country, the area attracts new players from several industry clusters in logistics and transportation.
- Largest port facility in the state in terms of tons processed and the major supplier of oil, gas and petroleum products to Central Florida.

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.
- Fragmented spatial nature of the market creates logistical and reliability issues for some types of cargo and manufactures.

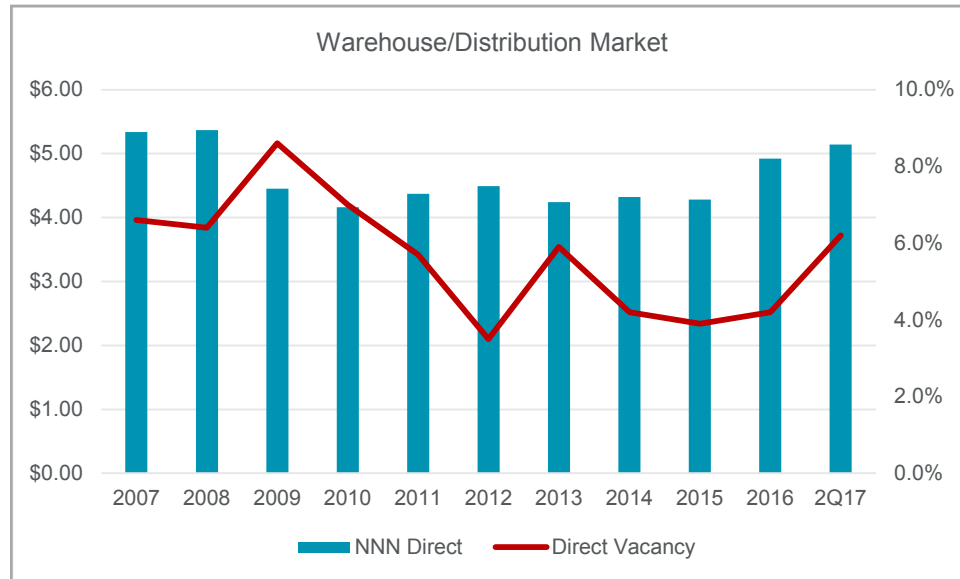
Statistics

	Population	0.6 Million		1.9% y-o-y
	Jobs	221,200		3.1% y-o-y
	Household Income	\$47,700		5.7% y-o-y
	Population 300 Miles	21.4 Million		
	Unemployment Rate	4.4%		





The Lakeland market has emerged as an industrial mecca along the I-4 corridor. With tenants like Amazon, Publix, and O'Reilly Auto parts, the market continues to be one of the top performing industrial market 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.

Market Indicators

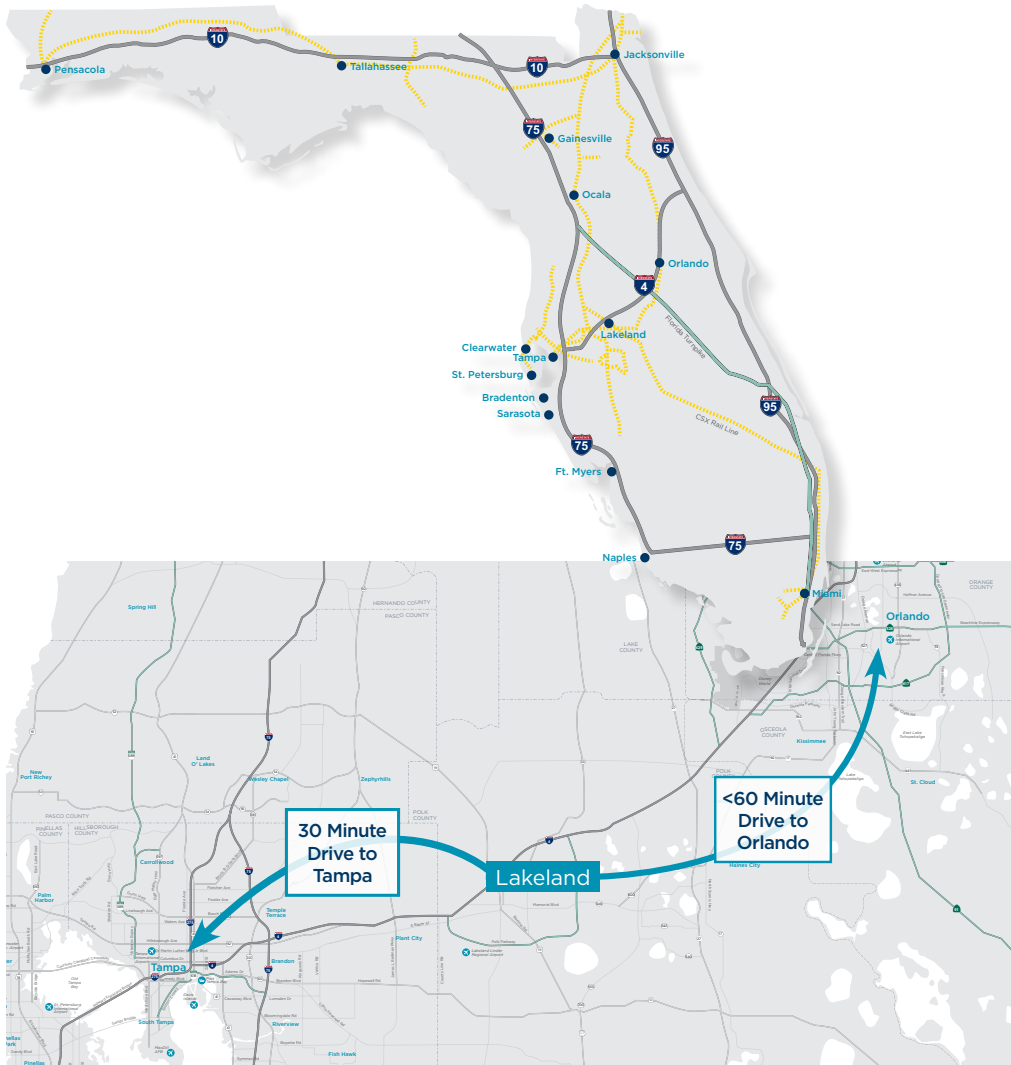
Inventory (msf)	21,349,588
Overall Vacancy	6.20%
Direct NNN Rents	\$5.14
Under Construction	605,920
Leasing Activity	710,310
Absorption	252,267



FORECAST

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 cost 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.
- Competition for users from well-located sites closer to I-4 and I-75 in the Tampa market.



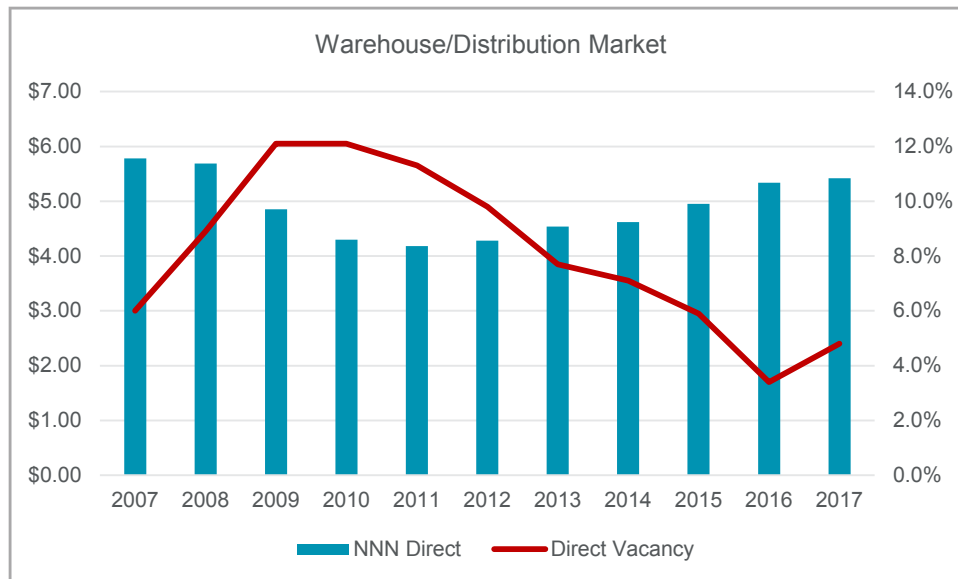
Statistics

	Population	2.5 Million		3.1% y-o-y
	Jobs	1,253,000		2.8% y-o-y
	Household Income	\$55,600		4.9% y-o-y
	Population 300 Miles	21.9 Million		
	Unemployment Rate	3.7%		




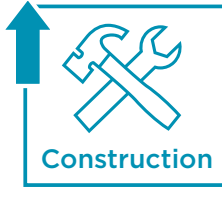
Central Florida/Orlando, the fastest growing metro in the country, recently became a hotbed for logistics companies looking to tap into a diverse workforce and growing population. Amazon, Walmart and PODS have recently opened or announced major distribution hubs so far in 2017. Orlando's centralized location along the I-4 corridor gives logistics companies easy access to all of Florida.

Market Indicators

Inventory (msf)	88,930,794
Overall Vacancy	4.80%
Direct NNN Rents	\$5.42
Under Construction	950,541
Leasing Activity	916,238
Absorption	856,065



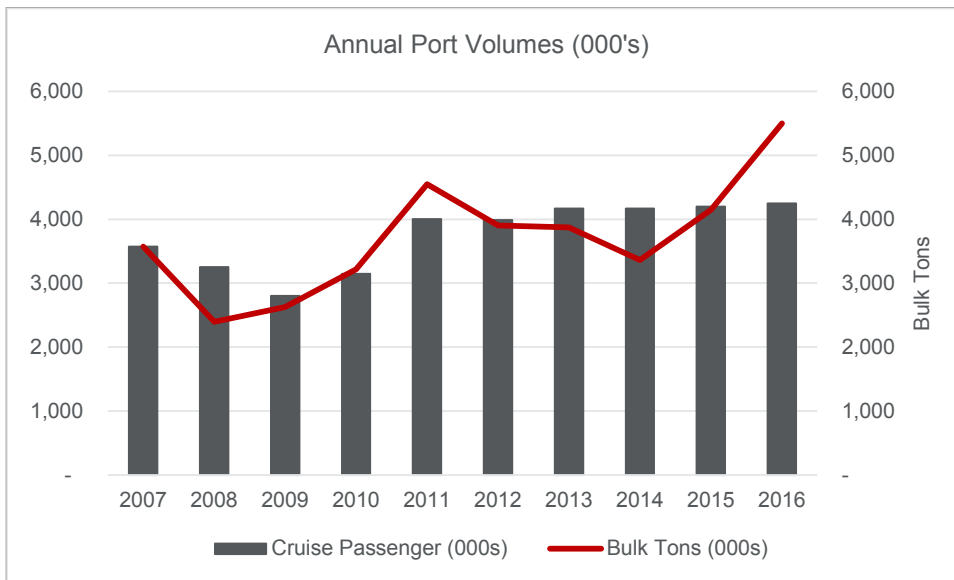
FORECAST

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)	5,524,478
% 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

Strong demographics and the flow of tourist dollars make Orlando a magnet for logistic companies that want to tap into increased spending power.

Annual TEU Volume & Bulk Tonnage



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









Market Strengths

- Port Canaveral is the second largest cruise ship terminal in the world with over 4.0 million consumers to the area.
- Orlando has the only commuter train service in Central Florida which helps to alleviate congestion on area roads and highways.
- Orlando is conveniently located 3 to 4 hours from every other major market in Florida. There are 23 million consumers within a driving distance of eight hours.

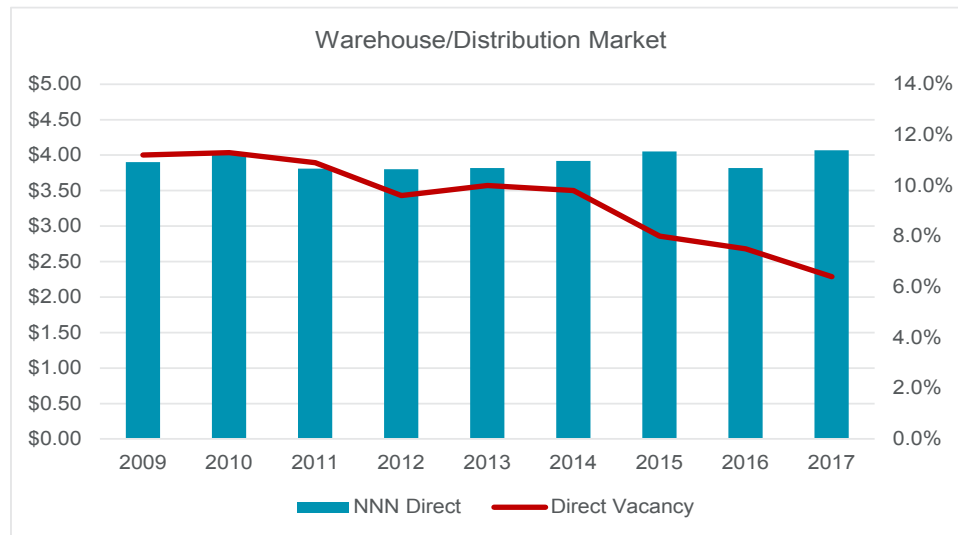
Market Challenges

- The majority of Port Canaveral capital improvements are focused on the cruise-related port activities and do not directly benefit the cargo industries.
- Orlando has limited warehouse/distribution availabilities and general lack of land which has pushed some development to the outskirts of the region, such as Lake County and Davenport.

Statistics

	Population	1.5 Million		1.9% y-o-y
	Jobs	690,500		3.4% y-o-y
	Household Income	\$58,200		5.0% y-o-y
	Population 300 Miles	27.3 Million		
	Unemployment Rate	3.8%		





Jacksonville's location and access to multi-modal transportation makes it an ideal location for logistic-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 of Miami/Dade and comparable to other larger markets in the Southeast. Over the last several years, the area's location and affordability has attracted several distribution hubs, especially for e-commerce companies, including expansions by Amazon, BMW, and Fed-Ex.



Market Indicators

Inventory (msf)	76,549,952
Overall Vacancy	6.4%
Direct NNN Rents	\$4.07
Under Construction	3,343,476
Leasing Activity	2,272,414
Absorption	578,078

FORECAST

 Vacancy	 Rents
 Leasing	 Construction

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)	8,904,154.00
Export (tons)	2,666,914.00
Domestic (tons)	7,445,726.00
Channel Depth	41' (Proposed to dredge to 47')
Total Cranes/Post-Panamax	20/3
Major Trading Partners	Japan, China, Germany, Brazil, Mexico

Jacksonville's superior logistical connections between different modes of cargo transportation provide companies with a reliable alternative to other major markets.

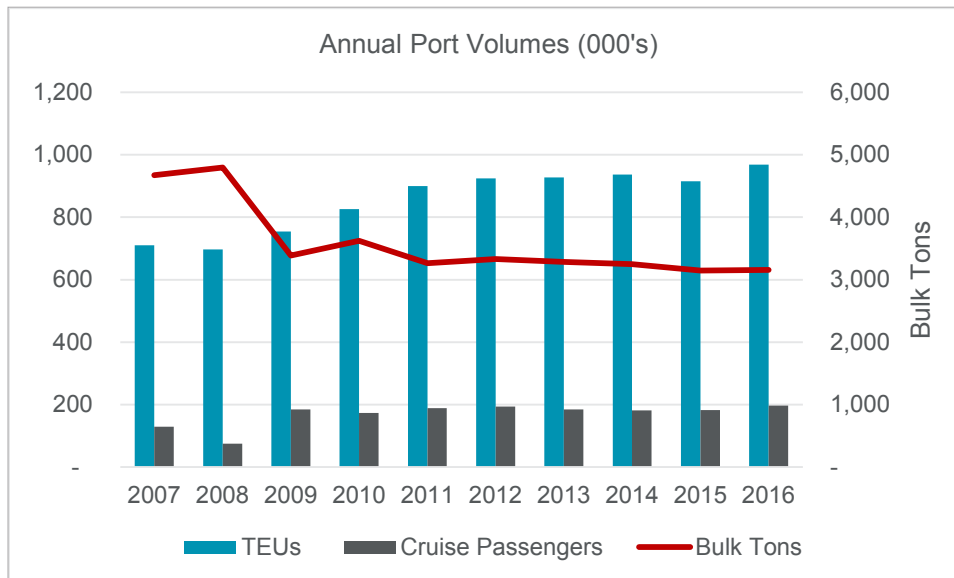
Market Strengths

- JAXPORT is the top importer of automobiles in the country and the supply port for oil, gas and petroleum products for North Florida.
- Diversity in port terminals and capabilities allow 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.

Market Challenges

- The 21-mile channel to access all three marine terminals is the longest in the state. Bridge, depth and navigation issues limit the size of ships.
- Limited outbound cargo possibilities due to being outside of traditional supply chains that utilize the Port of Savannah about 140 miles to the north.
- On-dock rail capacity is currently limited to 150,000 TEUs annually.

Annual TEU Volume & Bulk Tonnage



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





CUSHMAN &
WAKEFIELD



For more information, contact:

Chris Owen, Florida Research Manager

+1 407 541 4417

chris.owen@cushwake.com

Michelle McMurray, Research Analyst

+1 813 204 5373

michelle.mcmurray@cushwake.com