INDUSTRIAL MARKET REVIEW

First Vice President
Industrial Brokerage
Global Supply Chain Solutions
March 12, 2008

INDUSTRIAL MARKET REVIEW

US Population Density

Most of the nation’s population and consumer demand is still heavily located in the eastern-half of the country.

INDUSTRIAL MARKET REVIEW

http://www.transportationfortomorrow.org/final_report/
**INDUSTRIAL MARKET REVIEW**

**Panama vs. Suez Canal**

- **Distance via Panama Canal**: 11,021 nautical miles
- **Distance via Suez Canal**: 11,705 nautical miles

**Projected Coastal Freight Growth**

**INDUSTRIAL MARKET REVIEW**

**Modern Terminals**

- **Phase 1 - June 2017**
  - Total Acreage: 220
  - Pier Length: 3,000 ft.
  - Depth: 52 ft.
  - Capacity: 1.5M TEUs
  - Cost: $1.2B

- **Phase 2 - June 2032**
  - Total Acreage: 500
  - Pier Length: 8,000 ft.
  - Depth: 52 ft.
  - Capacity: 5M TEUs
  - Cost: $1.06B

**INDUSTRIAL MARKET REVIEW**

**Future Craney Island Marine Terminal**

- Phase 1 - June 2017
- Phase 2 - June 2032
- Total Acreage
- Pier Length
- Depth
- Capacity
- Cost

**INDUSTRIAL MARKET REVIEW**

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**APM/Maersk Terminal in Portsmouth**

- **Phase 1 - complete 2007**
  - Total Acreage: 230
  - Pier Length: 3,200 ft.
  - Depth: 55 ft.
  - Cranes: 6
  - Capacity: 1 Million TEUs
  - Cost: $500 Million

- **Phase 2 - as volume dictates**
  - Total Acreage: 291
  - Pier Length: 4,000 ft.
  - Depth: 55 ft.
  - Cranes: 12
  - Capacity: 2.2 Million TEUs
  - Cost: $250 Million
INDUSTRIAL MARKET REVIEW

West Park 2 - Hampton
- High Street Equity Advisors
- 180,000 SF Warehouse/Distribution
- Completed 2007
- Divisible to 12,000 SF

West Park 1 & 3 - Hampton
- Gateway Warehouses remain available for sublease
- 515,000 SF in 2 buildings

2000 Enterprise Parkway - Hampton
- 135,000 SF Guardian Storage Lease (2007)
- First Potomac Realty Trust

Enterchange at Hampton
- Building 1 – 243,219 SF; 211,119 SF Available
- Building 2 – 470,244 SF; 109,497 SF Available
- Devon USA – Richmond, VA
- Copeland Industrial Park

Bridgeway Commerce Center • Suffolk
- Liberty Property Trust
- Three Warehouse/Distribution buildings totaling 424,000 SF

- Building I – 130,000 SF, fully leased
- Building III – 168,000 SF
- Building II – Pad ready, 126,000 SF

Bridgeway Business Center
- Ashley Capital
- 750,000 SF multi-tenant Warehouse/Distribution
- Completed 81,294 modern renovation 2007
- Dixie Group Lease – 81,204 SF plus 3 acre “wareyard”
**INDUSTRIAL MARKET REVIEW**

**Cavalier Industrial Park • Bay Warehouses • Chesapeake**

- Newly completed 94,330 SF Multi-tenant Warehouse/Distribution
- Divisible to 15,835 SF
- First Potomac Realty Trust

**Cavalier Industrial Park • Johnson Controls Facility Sale**

- December 2007
- $6.4 million
- Sold to USUI International

**Cavalier Industrial Park • 3800 Cook Boulevard**

- Modern renovation and re-tenanting through 2007
- Sold to Exeter Property Group - 2007
- 64,000 SF Available

**Hampton Roads – Industrial Market Vacancy Rate (as of the first month of the year)**

![Graph showing Hampton Roads industrial market vacancy rate]

Source: ODU Real Estate Market Review 2008

**2007 ODU Hampton Roads Industrial Survey**

<table>
<thead>
<tr>
<th>Submarket City Surveyed</th>
<th>Reporter</th>
<th>Total Sq Ft</th>
<th>Vacancy Sq Ft</th>
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<tbody>
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<td>8,342,696</td>
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<td>5,464,312</td>
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**Airport Industrial Park II – 5901 Thurston Avenue**
- $6,700,000 – 2007
- Fully Leased – 6 tenants
- 142,500 SF; 17 acres
- $47.50/SF to Cambridge Hanover

**Airport Industrial Park - 5828 Ward Court**
- TruGreen Lease
- 20,000 SF
- $120/SF - $2,400,000

**Prologis/NYK Logistics Import Deconsolidation Facility**
- 100’ x 1,255’
- 125,500 SF cross dock
- Completed 2007
Northgate Commerce Park

- Duke Realty purchased 2007
- Two (2) 150,000 SF Buildings
- Available for Sublease
- 36 additional acres for development

Northgate Commerce Park

- Pending acquisition of 15 acres
- Final stages of approval for 216,000 SF rear loaded distribution property
- 30’ clear height
- Potential Mid-2009 delivery
- KTR Capital

Suffolk – Bypass to Distribution

- Building A nearing completion 2nd Quarter ’08
- 400,000 SF Multi- Tenant Distribution
- Divisible to 60,000 SF
- Four (4) building complex planned totaling 1,100,000 SF

Virginia Regional Commerce Center • Suffolk

- McDonald Development
- Building 100 • 385,320 SF
- 3 Buildings planned totaling 1,373,720 SF
- CSX rail available
Target Area - Suffolk

- 58 Bypass at Carolina Road
  - Liberty Property Trust
  - Commerce Center Hampton Roads
  - Devon USA
  - Enterchange @ Suffolk
  - 73 acres; 2 Buildings planned
  - 321,859 SF + 440,259 SF = 762,118 SF potential