

Cushman & Wakefield Agency Capabilities



The Newman/Horsley Team



Cushman & Wakefield is the Premier Industrial Owner Representative in Jacksonville

Cushman & Wakefield appreciates the opportunity to provide the GTG-JAX, LLC (“Global Tissue Group”) with this overview of our industrial sales qualifications in Jacksonville, FL. We understand you are seeking a strategic partner with global reach to help you maximize your buildings awareness, interest, activity and drive the highest overall value and are excited to provide property marketing services at 11650 Central Parkway. We are confident you will see that Cushman & Wakefield is the premier industrial owner representative in the Jacksonville marketplace.

Unique Team Structure

Cushman & Wakefield’s Tyler Newman and Jacob Horsley have worked together as a formal team for more than five years, leveraging their complementary skills sets. Mr. Newman and Mr. Horsley will serve as points of contact for Global Tissue Group, providing real time market information, reporting, and sale negotiations on your behalf. Mr. Horsley will be the dedicated agency canvasser for Global Tissue Group’s Jacksonville assets, personally contacting prospective buyers and communicating the property’s advantages and opportunities.

Unmatched Team Support

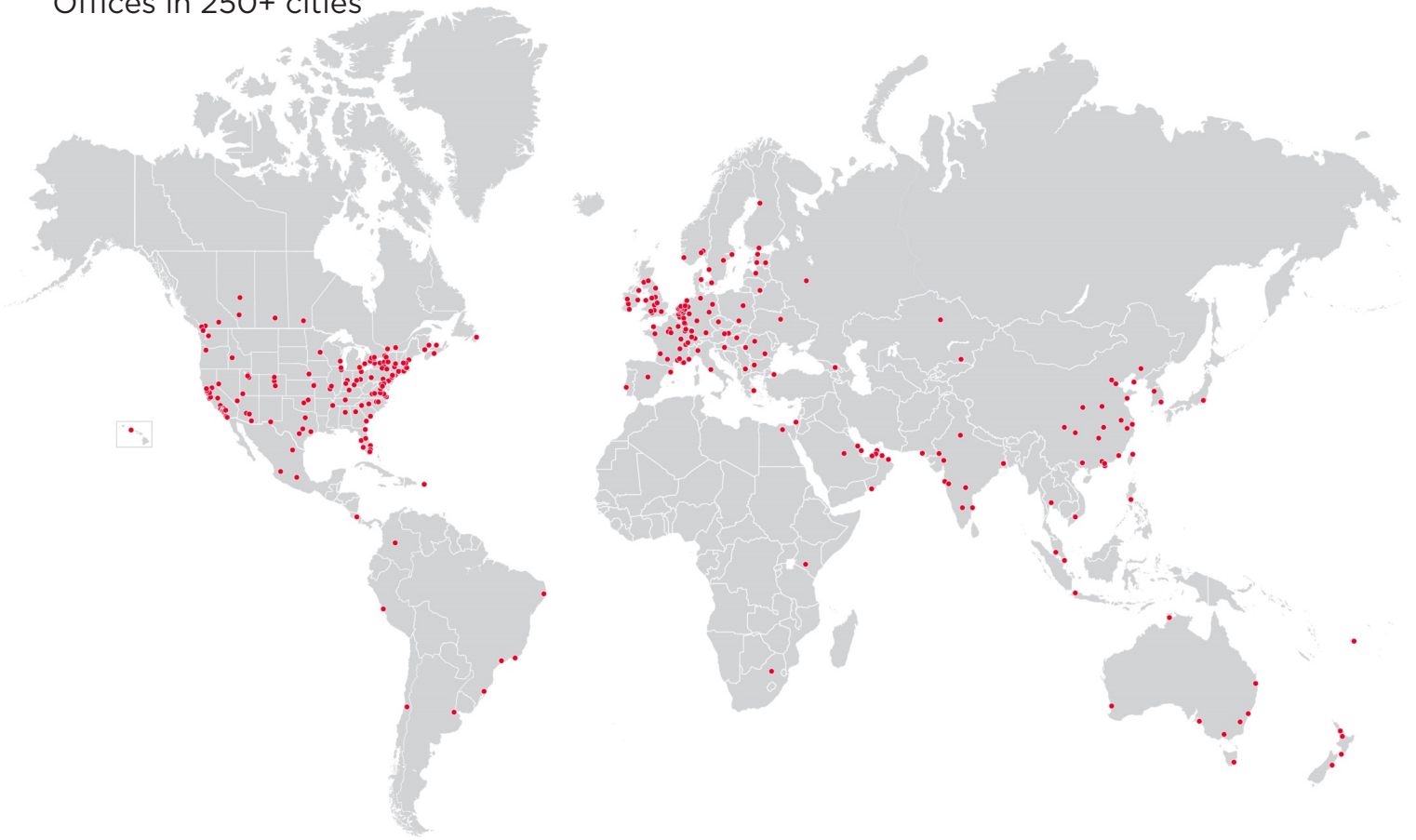
Cushman & Wakefield’s market-leading platform provides dedicated support in the areas of marketing, PR, research, financial analysis, and more. This allows the team to focus their energies and time on finding qualified buyers for the building, and not on the day-to-day administrative and support requirements of a major agency assignment. The team and Global Tissue Group will have the support of Cushman & Wakefield’s professionals in terms of capital markets, appraisal and tax consulting, portfolio consulting, and other value-adding areas of expertise.

Premier Market Reputation

Mr. Newman and Mr. Horsley are highly regarded in the Jacksonville industrial real estate community for their extensive relationships with occupiers and investors, market knowledge, and in-depth understanding of the local economic dynamics that drive the market. The team is regularly asked for their take on the Jacksonville industrial marketplace by the local media, economic development authorities, and government officials. Mr. Newman and Mr. Horsley are also very committed to giving back to their community, which only further cements their reputation as Jacksonville’s “go to team” when it comes to industrial sales and leasing.

Global Offices and Country Coverage

Offices in 250+ cities



What We Believe

- Deep local and global knowledge creates significant value for our clients
- Relentless curiosity delivers unseen opportunities
- Every touch point is an opportunity to deliver an exceptional experience for clients
- Diverse backgrounds, cultures, and expertise inspire breakthrough innovation
- Our brand and our people will be the envy of the industry
- Alone we are good; together we are great

What You Can Expect From Us

- A strong bias for action
- A rigorous focus on results
- Value created through insight
- The right people powered by the right platform

43,000

EMPLOYEES



OFFICES IN MORE THAN

60

COUNTRIES

\$5

Billion

IN REVENUE



4.3

Billion

SF MANAGED

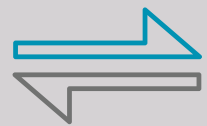
Confidently
Global,
Expertly
Local.



\$191

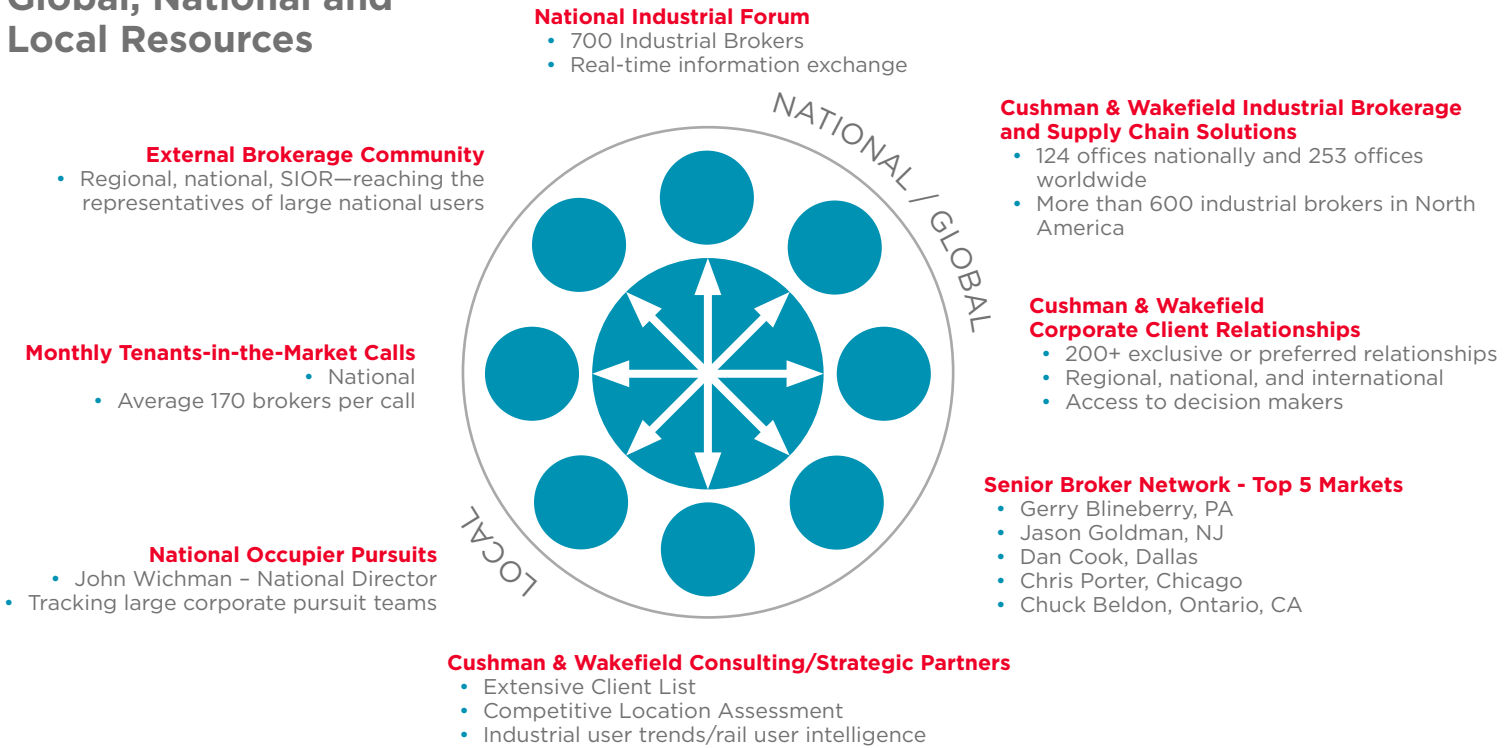
Billion

IN TRANSACTION VALUE

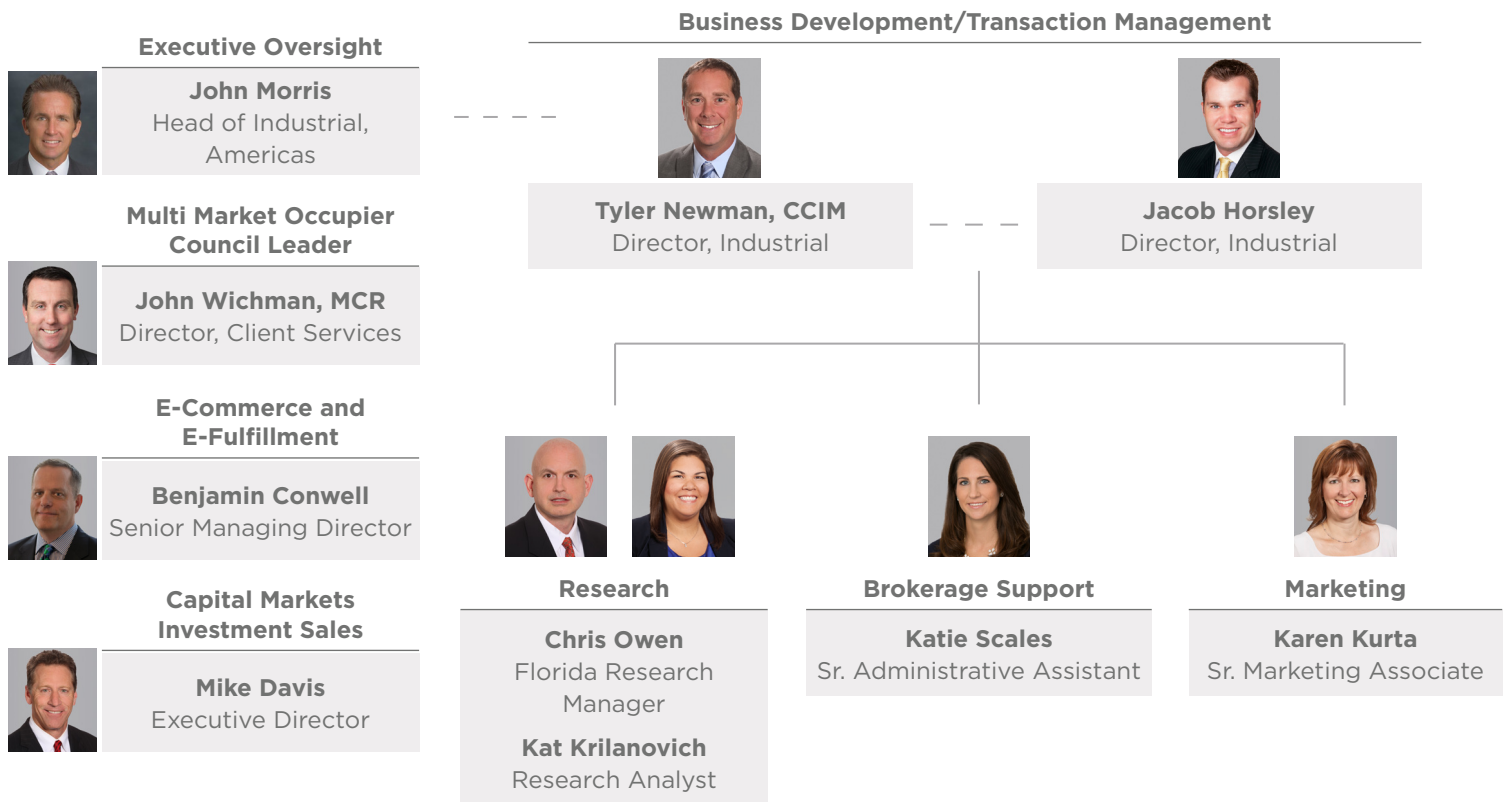


Leveraging the Cushman & Wakefield Platform

Global, National and Local Resources



Complete Team Support





Property Overview

LOCATION:	11650 Central Parkway, Jacksonville, FL 32224
SIZE:	±168,402 SF (Exact SF to be verified)
OFFICE SPACE:	14,600 SF
CLEAR HEIGHT:	24'
LOADING DOORS:	19 Dock doors; 1 Door with ramp
HVAC:	Facility 100% climate controlled
LAND:	±12.91 acres
YEAR BUILT:	1988
CONSTRUCTION:	Concrete Tilt Wall
PARKING:	±105 spaces
EXPANSION	Ability to expand building approx. 70,000 SF
ZONING	IBP-1

Market and Property Overview

What terms should you expect to achieve on a sale to a user?

PROSPECT	RANGE	PRICE EXPECTATIONS
Glove Fit User Needs HVAC, parking and office space	Highest Price	\$9,598,914 (\$57/SF) to \$9,262,110 (\$55/SF)
Southside/ Ponte Vedra Business Owner Relocating or expanding business	Mid Range	\$9,093,708 (\$54/SF) to \$8,756,904 (\$52/SF)
NEFL Distribution Requirement Large occupier looking for best economic terms	Lowest Price	\$8,588,502 (\$51/SF) to \$8,083,296(\$48/SF)

Market Commissions:

- 4% of the total sales price for a direct sale
- 5% of the total sales price with outside broker

Property Strengths

- 100% Climate controlled facility
- Located in a professionally managed and maintained business park
- Opportunity for regional/national headquarters
- The immediate area has many amenities including restaurants, shopping, hotels and banks
- Close to Jacksonville Ports (Blount Island and TraPac), and I-295

Property Challenges

- Southside submarket historically has less demand for larger occupiers
- Competition from Clarion, Pattillo and Majestic **from a leasing perspective only**
- Lack of deal velocity in Jacksonville over 100,000 SF
- 24' Ceiling height





JACKSONVILLE INDUSTRIAL MARKET STATISTICS

Fourth Quarter 2016

Q4 2016



SUBMARKETS

	No. Bldgs.	Inventory	Overall Vacancy Rate	Direct Vacancy Rate	Direct Wtd. Average Rental Rates (psf)	Quarter Overall Net Absorption	YTD Overall Net Absorption	YTD Leasing Activity	YTD Construction Completions	Under Construction
OVERALL MARKET										
Downtown	167	7,676,635	5.3%	5.3%	\$2.88	58,799	197,433	84,100	0	0
Northside	136	21,097,990	13.6%	13.6%	\$4.14	36,340	284,369	1,158,730	0	1,506,201
Westside	597	47,297,224	4.3%	4.3%	\$2.85	49,075	1,015,072	2,695,955	814,777	0
Southside	518	23,966,691	4.3%	4.3%	\$7.32	16,829	557,661	939,418	0	0
Orange Park Clay	26	2,197,082	0.3%	0.3%	\$10.31	0	65,440	2,940	65,000	0
Beaches	21	821,611	0.0%	0.0%	\$0.00	0	0	0	0	0
St Johns County	29	1,603,051	4.4%	4.4%	\$5.73	0	31,812	51,157	0	0
JACKSONVILLE TOTAL MARKET	1,494	104,660,284	6.1%	6.1%	\$4.24	161,043	2,151,787	4,932,300	879,777	1,506,201
WAREHOUSE/DISTRIBUTION										
Downtown	119	5,361,508	7.5%	7.5%	\$2.87	58,799	198,833	84,100	0	0
Northside	96	15,952,824	17.8%	17.8%	\$4.10	41,590	209,855	1,087,408	0	1,506,201
Westside	435	36,811,082	5.2%	5.2%	\$2.87	49,075	728,836	2,253,397	560,433	0
Southside	304	15,192,614	3.7%	3.7%	\$5.85	40,410	375,328	498,413	0	0
Orange Park Clay	15	1,570,733	0.2%	0.2%	\$8.00	0	440	2,940	0	0
Beaches	18	424,530	0.0%	0.0%	\$0.00	0	0	0	0	0
St Johns County	19	1,209,002	5.1%	5.1%	\$5.19	0	31,812	51,157	0	0
TOTAL	1,006	76,522,293	7.5%	7.5%	\$3.82	189,874	1,545,104	3,977,415	560,433	1,506,201
<small>* Overall figures include sublease and direct space.</small>										
<small>No warranty or representation, express or implied, is made to the accuracy of the information contained herein, and the same is submitted to errors, omissions, change of price, rental or conditions, withdrawal without notice, and to any special listing conditions imposed by our principals.</small>										
OFFICE SERVICES/FLEX										
Downtown	1	22,353	0.0%	0.0%	\$0.00	0	0	0	0	0
Northside	6	184,455	15.9%	15.9%	\$5.26	0	11,104	2,662	0	0
Westside	8	284,893	0.0%	0.0%	\$0.00	0	6,600	6,600	0	0
Southside	135	5,176,670	8.3%	8.5%	\$9.78	(23,581)	231,201	441,005	0	0
Orange Park Clay	4	211,273	2.3%	2.3%	\$11.50	0	0	0	0	0
Beaches	0	0	0.0%	0.0%	\$0.00	0	0	0	0	0
St Johns County	2	97,049	9.5%	9.5%	\$8.75	0	0	0	0	0
TOTAL	156	5,976,693	7.9%	8.0%	\$9.50	(23,581)	248,905	450,267	0	0
MANUFACTURING										
Downtown	47	2,292,774	0.1%	0.1%	\$6.86	0	(1,400)	0	0	0
Northside	34	4,960,711	0.3%	0.3%	\$9.18	(5,250)	63,410	68,660	0	0
Westside	154	10,201,249	1.3%	1.3%	\$2.65	0	279,636	435,958	254,344	0
Southside	79	3,597,407	1.4%	1.4%	\$2.40	0	(48,868)	0	0	0
Orange Park Clay	7	415,076	0.0%	0.0%	\$0.00	0	65,000	0	65,000	0
Beaches	3	397,081	0.0%	0.0%	\$0.00	0	0	0	0	0
St Johns County	8	297,000	0.0%	0.0%	\$0.00	0	0	0	0	0
TOTAL	332	22,161,298	0.9%	0.9%	\$3.08	(5,250)	357,778	504,618	319,344	0
<small>* Overall figures include sublease and direct space.</small>										
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Valuation: Good News / Bad News



There's no other building in the market like yours!

The good news is there are no similar buildings FOR SALE currently. The bad news is no similar buildings have sold in over four years in the market—indicating a lack of demand and offering no comparable sales to help in valuing the building.

VALUATION

REPLACEMENT COST			INVESTMENT	COMPARABLES
Office \$65/SF x 14,600 SF \$949,000	Building Shell \$55/SF x 153,802 SF \$8,459,110	Land \$150,000/AC x 12.91 AC \$1,936,500	Average lease rate of comparable buildings equals \$4.42/ SF CAP Rate range is 5.92%- 9.6% *Sample CAP Rate is 7.5%	We will be using an investment and replacement cost approach to value your building.
\$11,344,610			+	\$9,924,491

*This approach values the real estate based on the most likely revenue stream that can be generated from the property. This revenue stream is derived using comparable rental information, as shown on the next page of this report. By using this revenue stream, we can apply a Capitalization Rate, or Rate of Return an investor would expect to receive for a similar asset in the same economic climate. This “cap rate” can then be used to calculate the properties indicated value.

Recent Investment Sales

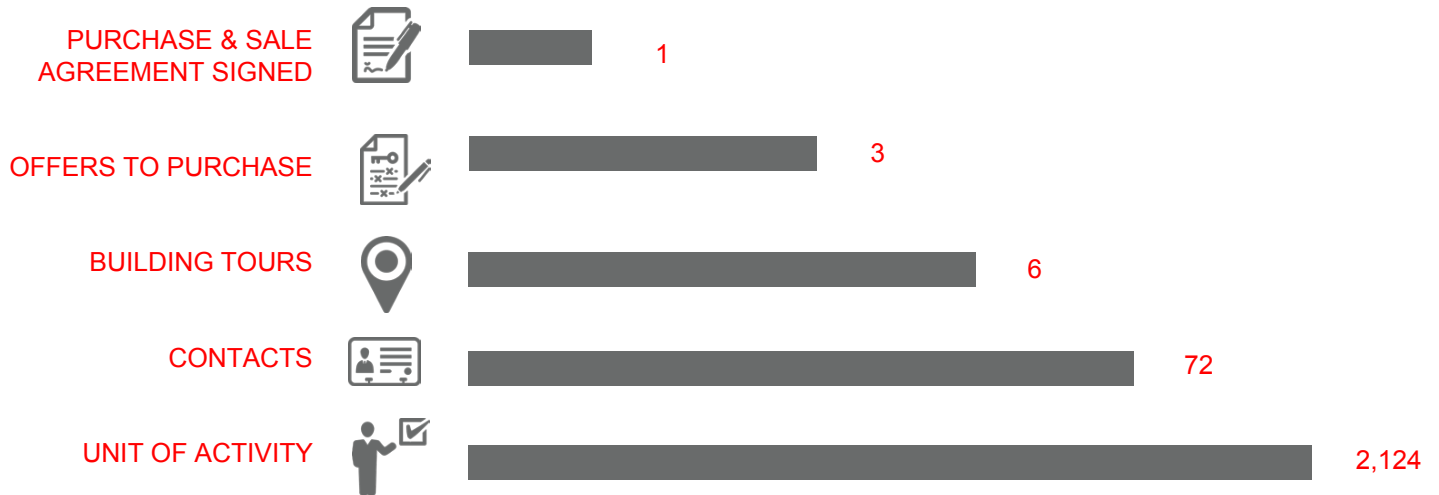
	Location	Building SF	Date	Sales Price	Price Per SF	CAP Rate	Buyer/ Seller	Comments
1	5515 West 5th Street Jacksonville, FL 32254	101,078 SF	Jan 2017	\$4,700,000	\$46.50	8.91 %	Big Box Prop (Plymouth) / Abu Dhabi Inv.	Single tenant, rail served, 100% HVAC.
2	Flagler Center (Bldgs. 500, 600, 700) Jacksonville, FL 32258	357,000 SF	Aug 2016	\$24,025,000	\$67.77	5.92%	EastGroup/ Crocker Partners	Class A, front-load distribution building.
3	6595 Pritchard Road Jacksonville, FL 32219	135,543 SF	Jan 2016	\$7,500,000	\$55.33	6.70%	Pattillo/ ProLogis	Class A, rear-load distribution building.
4	Samsonite 10480 Yeager Road Jacksonville, FL 32218	817,680 SF	Dec 2015	\$48,000,000	\$58.70	N/A	CNL Growth Properties/ Global Income Trust	Class A, cross dock distribution facility.
5	Coach 1 Coach Way Jacksonville, FL 32218	851,376 SF	Aug 2015	\$90,500,000	\$106.30	6.09%	Intercontinental RE Corp/ Pantheon Properties	Fulfillment center with 100% climate control and extensive build out.

Comparable Sites: Recently Leased Transactions

	Location	Building SF	Office SF	Ceiling Height	Drive-ins/ Docks	Parking	Rent and Terms
1	13920 Alvarez Road Jacksonville, FL 32218	135,000 SF	TBD	24'	1/45	175 Spaces	\$3.85/SF NNN (5 Year Term)
2	12751 Gran Bay Parkway Jacksonville, FL 32258	363,041 SF	9,721	24'	2/30	162 Spaces	\$3.30/SF NNN (5 Year Term)
3	11070 Cabot Commerce Circle Jacksonville, FL 32226	110,137 SF	3,000	28'	1/28	68 Spaces	\$3.25/SF NNN (5 Year Term)
4	2855 Faye Road Jacksonville, FL 32226	161,280 SF	2,000	32'	0/15	118 Spaces	\$3.60/SF NNN (5 Year Term)
5	Jacksonville Int'l Tradeport- Tract 4 Jacksonville, FL 32218	126,948 SF	9,000	28'	0/30	96 Spaces	\$5.60/SF NNN (5 Year Term)
6	14610 Breakers Drive South, Ste 100 Jacksonville, FL 32258	151,200 SF	29,070	32'	2/45	202 Spaces	\$4.85/ SF NNN (5 year Term)
7	8700 Jessie B. Smith Court Jacksonville, FL 32219	194,402 SF	2,852	30'	1/30	50 Spaces	\$5.29/SF Gross (10 Year Term)
8	2562 Cabot Commerce Circle Jacksonville, FL 32226	129,665 SF	4,000	28'	3/42	126 Spaces	\$5.65/SF NNN (4 Year Term)

Our Marketing Plan

Proposed Action Plan



Marketing Plan

	ACTIVITY	FEB	MAR	APR	MAY	JUN	JUL
KATIE SCALES	EMAILS - PLANNED	160	160	160	160	160	160
	EMAILS - ACTUAL						
	MAILERS - PLANNED	100	100	100	100	100	100
	MAILERS - ACTUAL						
TEAM EFFORTS: JACOB HORSLEY & TYLER NEWMAN	CALLS / CONTACTS - PLANNED	75 / 8	75 / 8	75 / 8	75 / 8	75 / 8	75 / 8
	CALLS / CONTACTS - ACTUAL						
	DROP-INS / CONVERSATIONS - PLANNED	15 / 3	15 / 3	15 / 3	15 / 3	15 / 3	15 / 3
	DROP-IN / CONVERSATIONS - ACTUAL						
	NETWORKING / POTENTIAL - PLANNED	4 / 1	4 / 1	4 / 1	4 / 1	4 / 1	4 / 1
	NETWORKING / POTENTIAL - ACTUAL						
	TOURS - PLANNED	0	1	0	1	2	2
	TOURS - ACTUAL						
	OFFERS TO PURCHASE - PLANNED	0	0	1	0	1	1
	OFFERS TO PURCHASE - ACTUAL						
	PURCHASE & SALE AGREEMENTS - PLANNED	0	0	0	0	0	1
	PURCHASE & SALE AGREEMENTS - ACTUAL						

The Cushman & Wakefield Difference

Successful Methods



Partnership

Ensure all area economic development agencies are award of the opportunity



Industry Targeting

Develop specific marketing messages for targeted industry groups



Promote Surrounding Area

Communicate knowledge of nearby amenities, new development, and alternative transportation



Tools & Technology

Develop web page for the property, providing information & services



Direct Mail to Decision Makers

Target professional firms and executives nationally with postcard mailing campaigns

Target Audience



Automotive Industry



E-Commerce



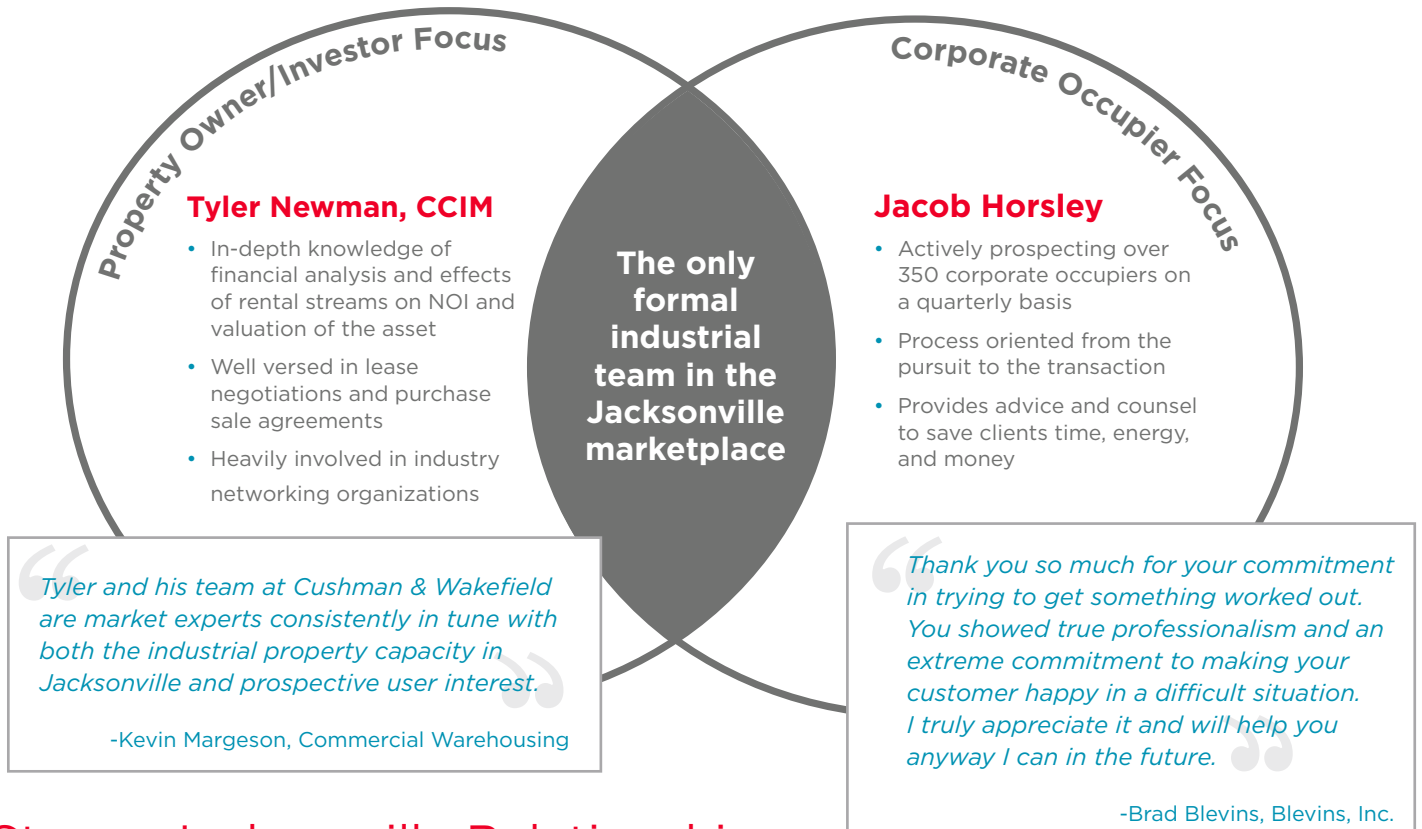
Regional & National Distributors



Port-Related Users

*Photo Credit: JAXPORT

The Cushman & Wakefield Difference



Strong Jacksonville Relationships

Past President of Developing Leaders



Corporate Volunteer

Guest Speaker at Conferences



Active Member

Member of the Global Supply Chain Board of the Masters Program



Active Member



Past President



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