

Industrial Market Overview, cont.

It is estimated that over the next decade, there could be 100,000 regional jobs stemmed from Jacksonville's port growth. The economic impact of the deepwater system may jump from \$3 billion to \$6 billion as new terminals come online.

With the expansion of Jacksonville's port, as well as the increase in port growth of Savannah, Miami and Charleston, Jacksonville could face a lack of industrial space for users in the future. Asian manufacturing products are now being delivered to East Coast cities rather than being shipped in via the West Coast and shipped across the United States by truck.

Due to this demand, our city has seen a tremendous amount of activity from regional, national and local developers and users looking to acquire strategic land positions to meet this anticipated growth. These groups are looking to acquire land that has excellent interstate accessibility and can serve as a premier park development.

The stability of the Northeast Florida industrial market can be attributed in part to the limited number of industrial developers and the careful planning and permitting process initiated by our region and state. Northeast has only 6 to 8 industrial developers as compared to other southeastern markets which may have as many as 30 to 35 industrial developers. The majority of the local industrial parks are controlled by individual developers who have the ability to stop building when the market softens. With this growth, a number of national and regional industrial developers are betting on Northeast Florida's future, and acquiring land positions throughout the area.

This area's permitting process has been very successful in regulating the amount of new development. While this process can be cumbersome, developers and end users are still very interested in acquiring land positions to benefit from Northeast Florida's tremendous growth. Due to the limited supply of entitled and zoned industrial land and demand that has increased annually, industrial land prices have continued to increase and rental rates for new space has increased significantly.

As new space is absorbed in the market place, rental rates for bulk space should increase over the next decade, making Woodstock Industrial Park an ideal location for companies looking for a Southeast distribution location to service customers nationally.