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The logo consists of an orange square containing the text "Miller Valentine Group" in white, bold, sans-serif font. The text is arranged in three lines: "Miller" on the top line, "Valentine" on the middle line, and "Group" on the bottom line. Each line of text is flanked by horizontal white bars. Below the orange square, the words "Realty Services" are written in a large, orange, sans-serif font.

# Miller Valentine Group Realty Services

**Miller-Valentine Group Realty Services** is a diversified commercial, industrial and investment real estate services company offering a wide variety of professional services including: **Leasing and Sales, Property Management and Consulting.**

The framework of our business is built upon our relentless desire to be unsurpassed in the level of information, knowledge and expertise we impart to our clients. In pursuit of this goal, we have assembled a diverse staff of experienced professionals in several related fields, supplemented these individuals with teams of strategic consultants, and dedicated administrative staff including a full-time database administrator/researcher. Our professional staff brings multiple years of combined real estate experience to the service of our clients.

For more information regarding **Miller-Valentine Group Realty Services**, please call, fax, or visit our Website at:

Phone: (937) 228-2800

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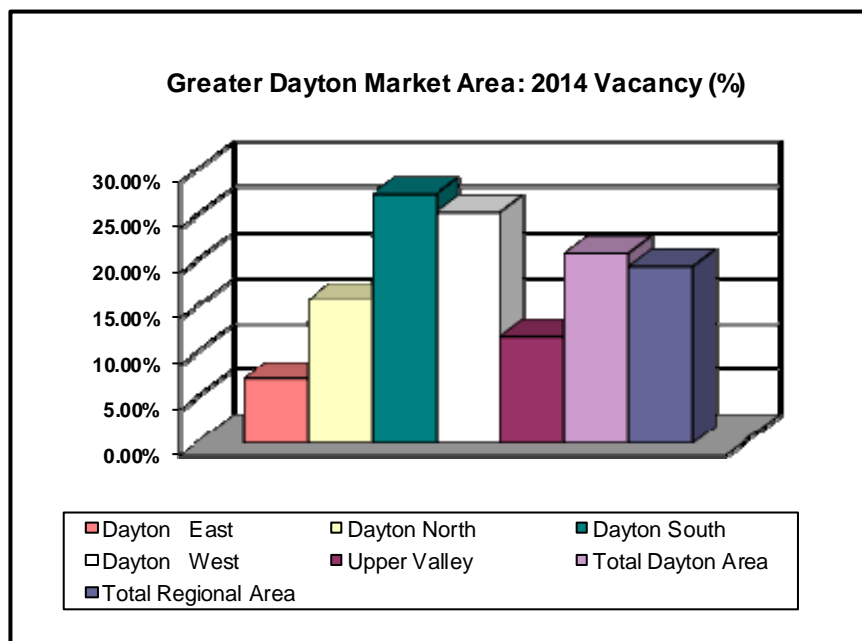


## 2014 DAYTON INDUSTRIAL MARKET SURVEY

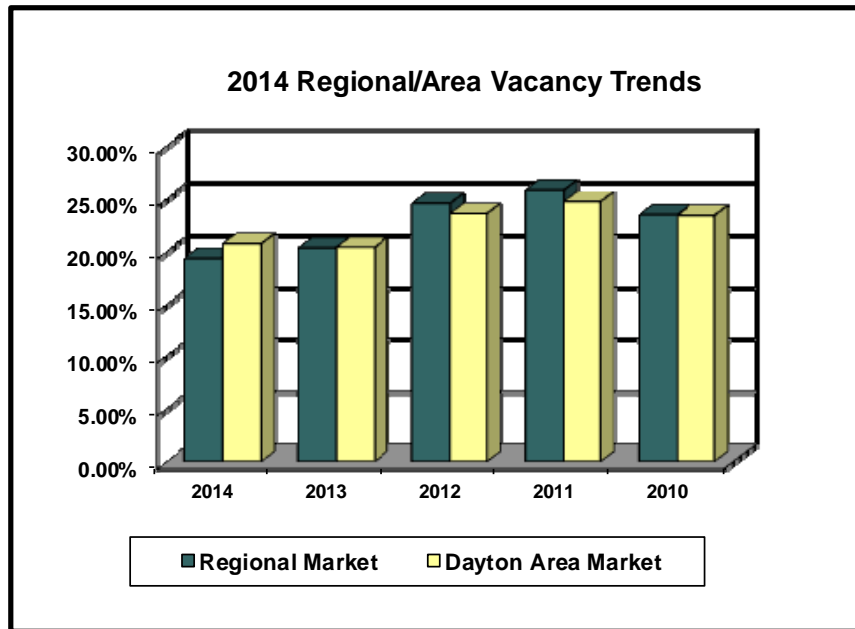
Miller-Valentine Group Realty Services 2014 Industrial Market Survey is a comprehensive survey intended to capture the current conditions and developing trends regarding Industrial space within the greater Dayton area. The facilities included in this study represent those, which are most reflective of the area's Industrial market.

In the 2014 survey, we have sampled 301 Industrial Buildings which have been segmented into five (5) distinct markets identified as Dayton East, Dayton North, Dayton South, Dayton West, and the Upper Valley Market. A total of 22,227,025 square feet of industrial/warehouse space was surveyed within these five (5) markets, of which 4,310,659 square feet, or 19.39% was reported to be vacant. This vacancy rate is down from the 2013 figure of 20.68%. The 2014 results are summarized in the following grid and chart.

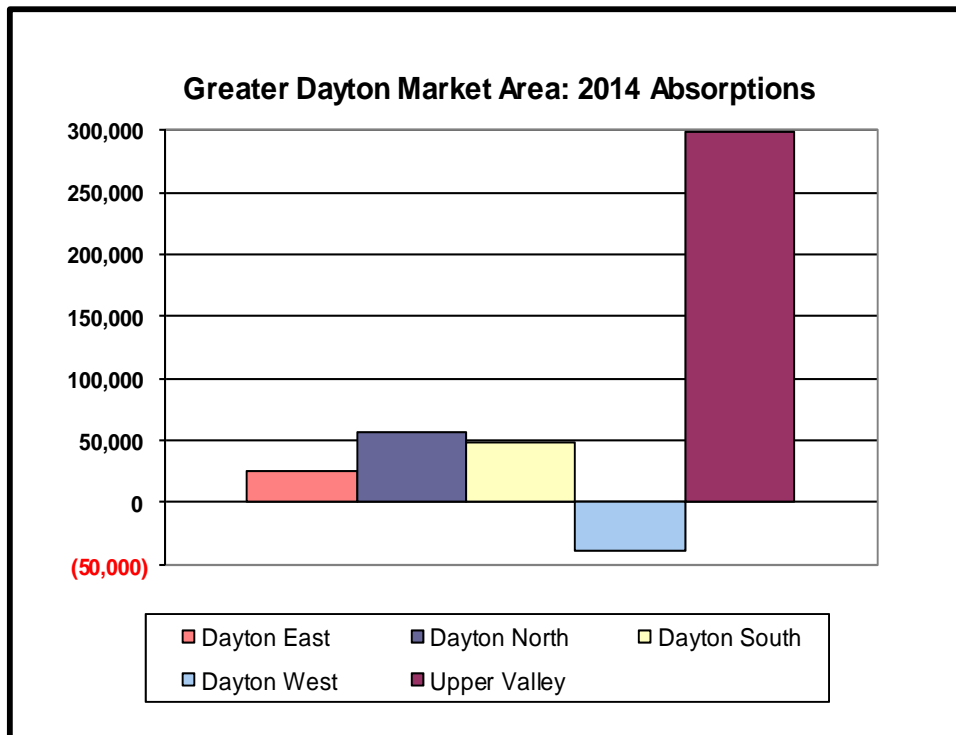
<u>2014 Dayton Industrial Market Survey</u>				
	#	GFA	Vac. s.f.	Vac. %
<i>Dayton East Market</i>	36	2,185,764	155,144	7.10%
<i>Dayton North Market</i>	91	6,563,202	1,035,911	15.78%
<i>Dayton South Market</i>	127	8,927,118	2,433,664	27.26%
<i>Dayton West Market</i>	7	1,114,810	282,529	25.34%
<i>Upper Valley Market</i>	40	3,436,131	403,411	11.74%
<i>Regional Market</i>	301	22,227,025	4,310,659	19.39%
<i>Dayton Area Market</i>	261	18,790,894	3,907,248	20.79%



A comparison of the Dayton Area and Regional Vacancy rates is illustrated on the following chart.



Within the regional market, a positive absorption of 389,607 square feet of space occurred in 2013-2014 survey period. The Dayton Area market experienced a positive absorption of 90,829 square feet during the 2013-2014 survey period. The vacancy rate increased slightly due to the addition of new space added to the market. Illustrated on the following chart, is the 2013-2014 absorption by sub-market.



The grid below illustrates a summary of the 2014, 2013, 2012, 2011 and 2010 vacancy rates and absorption results for the surveyed markets:

2014 Dayton Industrial Market Survey Vacancy Rates and Absorption Results

Market Area	2014			2013			2012			2011			2010		
	GFA	Vac. %	2013-14 Absorb.	GFA	Vac. %	2012-13 Absorb.	GFA	Vac. %	2011-12 Absorb.	GFA	Vac. %	2010-11 Absorb.	GFA	Vac. %	2009-10 Absorb.
Dayton East	2,185,764	7.10%	24,498	2,025,964	8.87%	25,274	2,025,964	10.11%	(103,116)	1,992,241	5.11%	156,260	1,992,241	12.95%	146,584
Dayton North	6,563,202	15.78%	56,053	6,699,416	16.30%	(279,231)	4,971,296	16.41%	240,288	5,025,095	21.47%	110,606	5,072,637	23.73%	(248,085)
Dayton South	8,927,118	27.26%	48,689	8,663,918	26.16%	294,127	8,684,458	29.49%	26,026	8,203,903	31.26%	(515,188)	8,218,139	25.39%	88,747
Dayton West	1,114,810	25.34%	(38,411)	1,114,810	21.90%	48,247	1,240,948	33.72%	(99,183)	1,184,810	26.95%	(5,000)	1,184,810	26.53%	(9,200)
Upper Valley	3,436,131	11.74%	298,778	3,301,112	20.06%	313,364	3,290,976	29.64%	195,482	3,108,115	31.49%	(163,852)	3,127,690	23.89%	97,360
Regional	22,227,025	19.39%	389,607	21,805,220	20.38%	401,781	20,213,642	24.61%	259,497	19,514,164	25.85%	(416,374)	19,984,243	25.58%	138,626
Dayton Area	18,790,894	20.79%	90,829	18,504,108	20.44%	88,417	16,922,666	23.64%	64,015	16,406,049	24.78%	(253,322)	16,467,827	23.46%	(21,954)

Specifically, in the Dayton Area market, we have surveyed 261 Industrial Buildings, which included properties in the submarkets of East, North, South and West. Within these sampled markets, a grand total of 18,790,894 square feet of space was surveyed, of which 3,907,248 square feet, or 20.79%, was reported to be vacant.

Next, we will examine each of the five (5) distinct markets identified as *Dayton: East, Dayton: North, Dayton: West, Dayton: South, and the Upper Valley Region.*

### Dayton East

In the *East Industrial* market, a total of (36) facilities were surveyed. This market accounts for a total of 2,185,764 square feet of space, of which 155,144 square feet, or 7.10%, was reported to be vacant. This market indicates a net positive absorption of 24,498 square feet. For the *East* market, quoted annual lease rates range from \$9.00/square foot to \$9.00/square foot for office space, from \$3.25/square foot to \$4.40/square foot for warehouse space and from \$2.00/square foot to \$12.00/square foot on a blended basis.

### Dayton North

In the *North Industrial* market, a total of (91) facilities were surveyed. This market accounts for a total of 6,563,202 square feet of space, of which 1,035,911 square feet, or 15.78%, was reported to be vacant. This market reflected a net positive absorption of 56,053 square feet. For the *North* market, quoted annual lease rates range from \$4.00/square foot to \$16.00/square foot for office space, from \$2.25/square foot to \$4.95/square foot for warehouse space and from \$2.70/square foot to \$5.95/square foot on a blended basis.

### Dayton South

In the *South Industrial* market, a total of (127) facilities were surveyed. This market accounts for a total of 8,937,118 square feet of space, of which 2,433,664 square feet, or 27.26%, was reported to be vacant. This indicates a net positive absorption for the *South* market of 48,689 square feet. A large percentage of the vacant space in the *South* market is within bulk industrial facilities. For the *South* market, quoted annual lease rates range from \$5.50/square foot to \$16.00/square foot for office space, from \$2.25/square foot to \$6.00/square foot for warehouse space and from \$4.00/square foot to \$6.50/square foot on a blended basis.

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## Dayton West

In the *West Industrial* market, a total of (7) facilities were surveyed. This market accounts for a total of 1,114,810 square feet of space, of which 282,529 square feet, or 25.34%, was reported to be vacant. This indicates a net negative absorption for the *West* market of (38,411) square feet. For the *West* market, quoted annual lease rates range from \$7.50/square foot to \$16.87/square foot for office space, from \$2.25/square foot to \$6.00/square foot for warehouse space and from \$1.49/square foot to \$1.49/square foot on a blended basis.

## Upper Valley

In the *Upper Valley Industrial* market, a total of (40) facilities were surveyed. This market accounts for a total of 3,436,131 square feet of space, of which 403,411 square feet, or 11.74% was reported to be vacant. This indicates a net positive absorption for the *Upper Valley* market of 298,778 square feet. For the *Upper Valley* market, quoted annual lease rates range from \$5.00/square foot to \$9.00/square foot for office space and from \$1.95/square foot to \$4.40/square foot for warehouse space.

**Miller-Valentine Group Realty Services** is a full-service commercial, industrial and investment real estate resource company offering a wide variety of professional services including Leasing and Sales, Property Management and Consulting. Additional Real Estate Advisory Services are provided by our associate company The Gem Real Estate Advisory Group. These Advisory Services include Appraisal, Litigation Valuation, Public Sector Services, and Corporate Services.

The information published in **Miller-Valentine Group Realty Services** 2014 Industrial Market Study reflects market conditions during the Second quarter of 2014. All data contained herein are believed to be accurate and have been compiled from one or more of the following sources: property owners, property managers, leasing agents, and/or public records. All information furnished by others is believed to be reliable. **Miller-Valentine Group Realty Services** makes no warranties regarding the accuracy of this information, which is subject to change without notice.

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