2370 N Palafox St

Pensacola, FL 32501

Industrial Investment Opportunity

Offering Memorandum

Zoning: C-3 | ±2.18 AC | ±41,536 SF

Exclusively Listed By

Nick Watson
FVP & Associate Director
(321) 960-1810
nick.watson@matthews.com
License No. SL3469703 (FL)

Gavin Dick
Analyst
(813) 725-3049
gavin.dick@matthews.com
License No. SL3640268 (FL)

Kyle Matthews
Broker of Record
Broker Lic. No.: BK3554632 (FL)
Firm Lic. No.: CQ1066435 (FL)

MATTHEWS™

Table of Contents

PROPERTY OVERVIEW

2370 N Palafox St
Pensacola, FL 32501

INVESTMENT HIGHLIGHTS

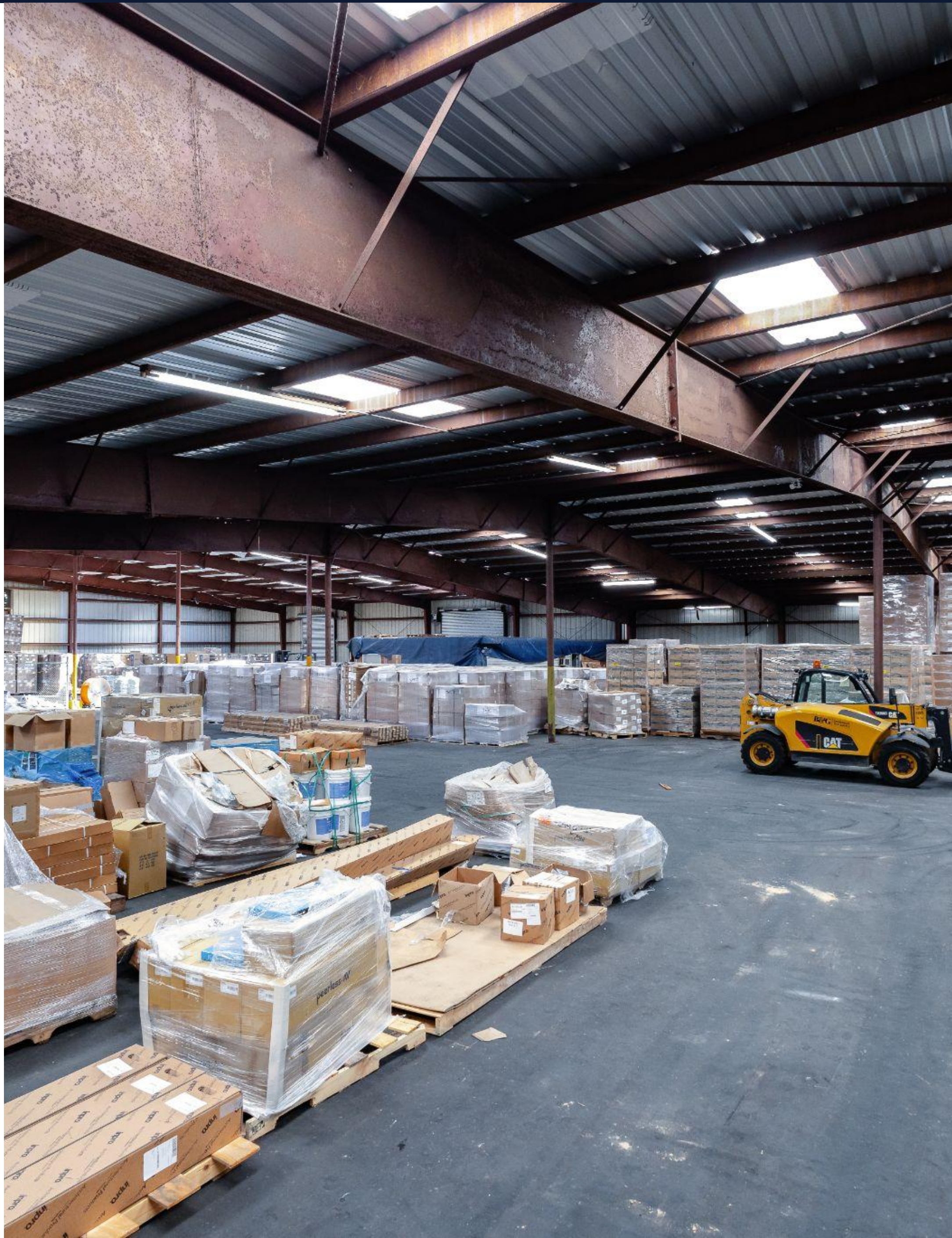
Property Highlights

- **Extensive Recent Capital Investment:** Ownership has completed roof coatings, new HVAC in Units 1 & 3, fresh paint, and seal-coated parking areas, with a new sprinkler system in Unit 4 nearing completion (Unit 1 is also sprinklered) - new roofs on Units 1 & 4 anticipated via insurance proceeds, positioning a buyer to inherit minimal deferred maintenance.

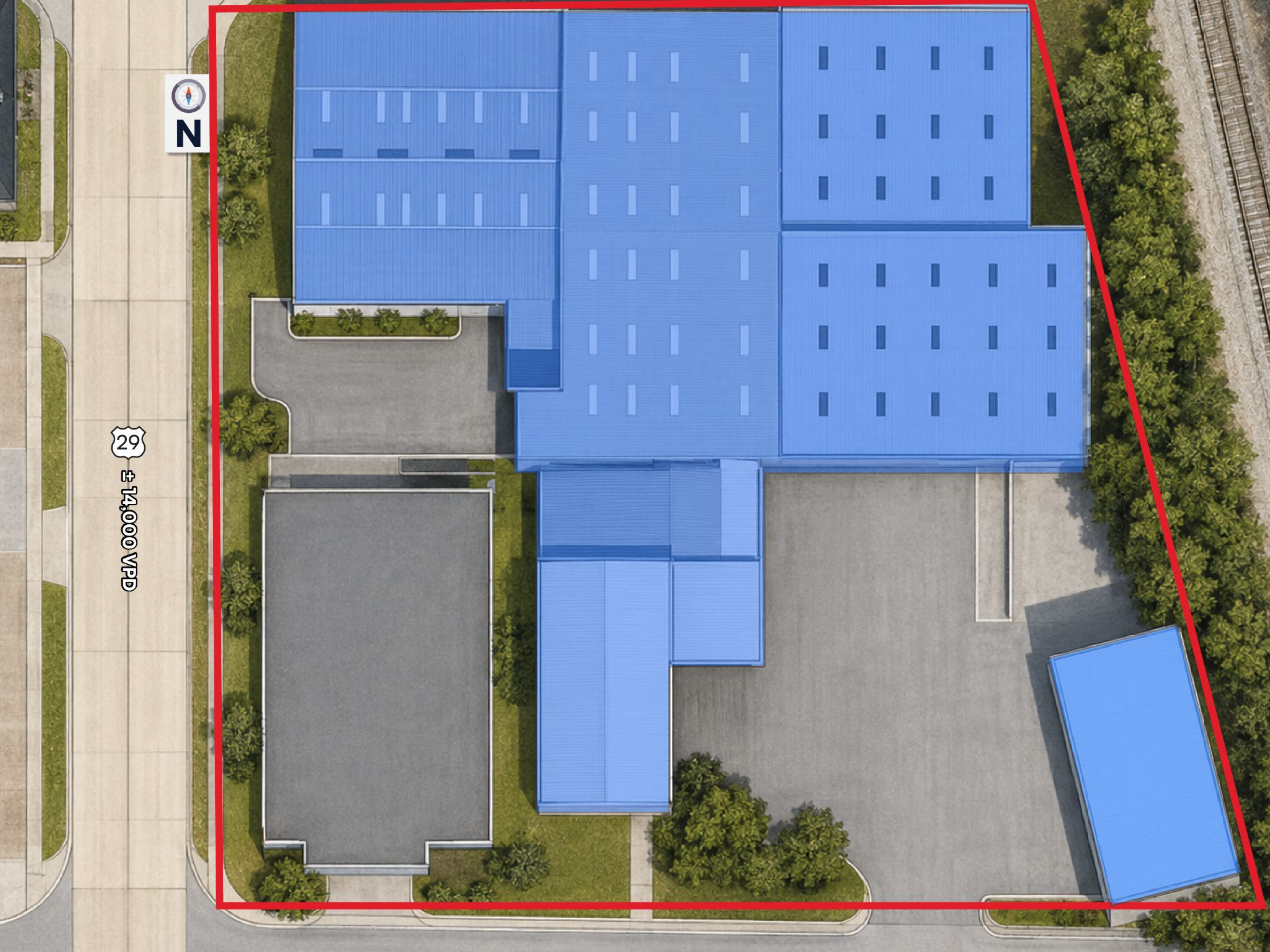
- **Opportunity Zone Tax Advantages:** Located within a designated Qualified Opportunity Zone, offering investors capital-gains deferral and tax-advantaged appreciation on new equity. The overlay is especially compelling for 1031 exchange buyers and long-term holders, and broadens the buyer pool at exit.

- **Diversified Rent Roll, Anchored Tenancy:** A complementary mix of industrial and flex users anchored by AMD Supply staggers expirations and reduces rollover risk. The functional building - 18' to 22’ clear height, one dock plus three drive-in doors, and a 2.18-acre site at 0.44 FAR with excess land - appeals to a deep pool of local and regional tenants.

- **Significant Value-Add Lease-Up Opportunity:** At 61% vacant (39% leased), the property offers substantial upside to stabilize income in a submarket where vacancy sits at just 2.0% and the overall market at 3.7%. With 179,692 SF absorbed over the trailing twelve months (up 7.3%) and only 6.3 months of average marketing time, demand should support a relatively quick lease-up of the available space.



GILMORE
A Higher Standard
LifeSafer Ignition Interlock
ABC Supply Co. inc.
FOX PEST CONTROL
Stones of Pensacola
EWING OUTDOOR SUPPLY
29
± 14,000 VPD
ALL MY SONS MOVING & STORAGE
WHITE CAP
UNITED STATES POSTAL SERVICE
N
ECS Engineered Cooling Services
Industrial Neighbors
ExtraSpace Storage
REPUBLIC SERVICES
SA Recycling
ETHOS ELECTRICAL SOLUTIONS
PENSACOLA SANITATION SERVICES
INTERSTATE 110
± 64,500 VPD
Subject Property
MORETTE COMPANY
Seville Power & Lawn Equipment
Pensacola High School
±1,221 Students
OVERFLOW HEALTH ALLIANCE INC.
HEALING • HOPE • HEALTH
HERS & HIS PLUMBING • HEATING & AIR
AGGRESSIVE PLUMBING, INC.
LOYAL • AGGRESSIVE • HONEST
PTAC ENGINEERING
Google Earth


N
29
± 14,000 VPD

2370 N Palafox St
Pensacola, FL 32501

±41,536 SF
Lease GLA

Multi-tenant
Industrial

±64,500 VPD
Interstate I-110

±2.18 AC
Lot Size

LEASE SUMMARY

For Lease Pricing

SF Available	±25,349 SF
Type	NNN
Rent/SF	**$8.00/SF**
Monthly Rent	**$16,899.33**
Annual Rent	**$202,792.00**

For Sale Pricing

SF	41,536
Acreage	2.18
In Place Rent/SF	$3.52
Monthly Rent	$12,190.10
Annual Rent	$146,281.20
Landlord Expense Exposure	$43,403.54
In-Place NOI	$102,877.66
Sale Price	**$3,950,000**
Price/SF	**$95.10**
Price/SF of Land	**$41.58**

RENT ROLL

Rent Roll

Unit	Tenant	SF Leased	% of GLA	Lease Start	Lease Exp.	Lease Type	Base Rent/Mo	Base Rent/Yr	Base Rent/SF	OPEX/ CAM/Mo
1	AMD Supply	7,698	18.53%	2/1/2023	1/31/2028	NNN	$5,257.38	$63,088.56	$8.20	$1,401.97
2	Relevant AV Solutions Inc	5,500	13.24%	7/1/2022	6/30/2028	NNN	$4,213.64	$50,563.68	$9.19	$1,067.57
3	Coughlin Photography	2,989	7.20%	4/1/2023	3/31/2029	NNN	$2,719.08	$32,628.96	$10.92	$612.41
4	Vacant	25,349	61.03%	-	-	-	$0.00	$0.00	$0.00	$0.00
	Totals	**41,536**					**$12,190.10**	**$146,281.20**	**$3.52**	**$3,081.95**

INCOME & EXPENSE SUMMARY

	Income	Per/SF
Base Rent	$146,281.20	$3.52
Additional Income	-	-
Total Gross Income	$146,281.20	$3.52
Effective Gross Income (EGI)	**$146,281.20**	**$3.52**

	Expenses	Per/SF
Taxes	$19,731.72	$0.47
Insurance	$37,783.40	$0.91
Repairs & Maintenance	$3,600.00	$0.09
Utilities	$1,752.00	$0.04
Management	$5,851.25	$0.14
Landscaping	$2,400.00	$0.06
Total Expenses	$71,118.37	$1.71
Est. Reimbursement Revenue	$27,714.83	$0.67
Landlord Expense Exposure (61.03% of Gross Leasable Area)	$43,403.54	$1.04
In-Place NOI	**$102,877.66**	**$2.48**
Pro Forma NOI (Vacancy @ $8.00/SF NNN)	**$335,213.47**	**$8.07**

PROPERTY PHOTOS

UNIT 3 - FULLY AIR CONDITIONED

*The tenant has made a significant capital investment to customize and improve the space, demonstrating a long-term commitment to the property.

Site Plan/Unit Mix

2370 N Palafox St
Pensacola, FL 32501

FINANCIAL SUMMARY

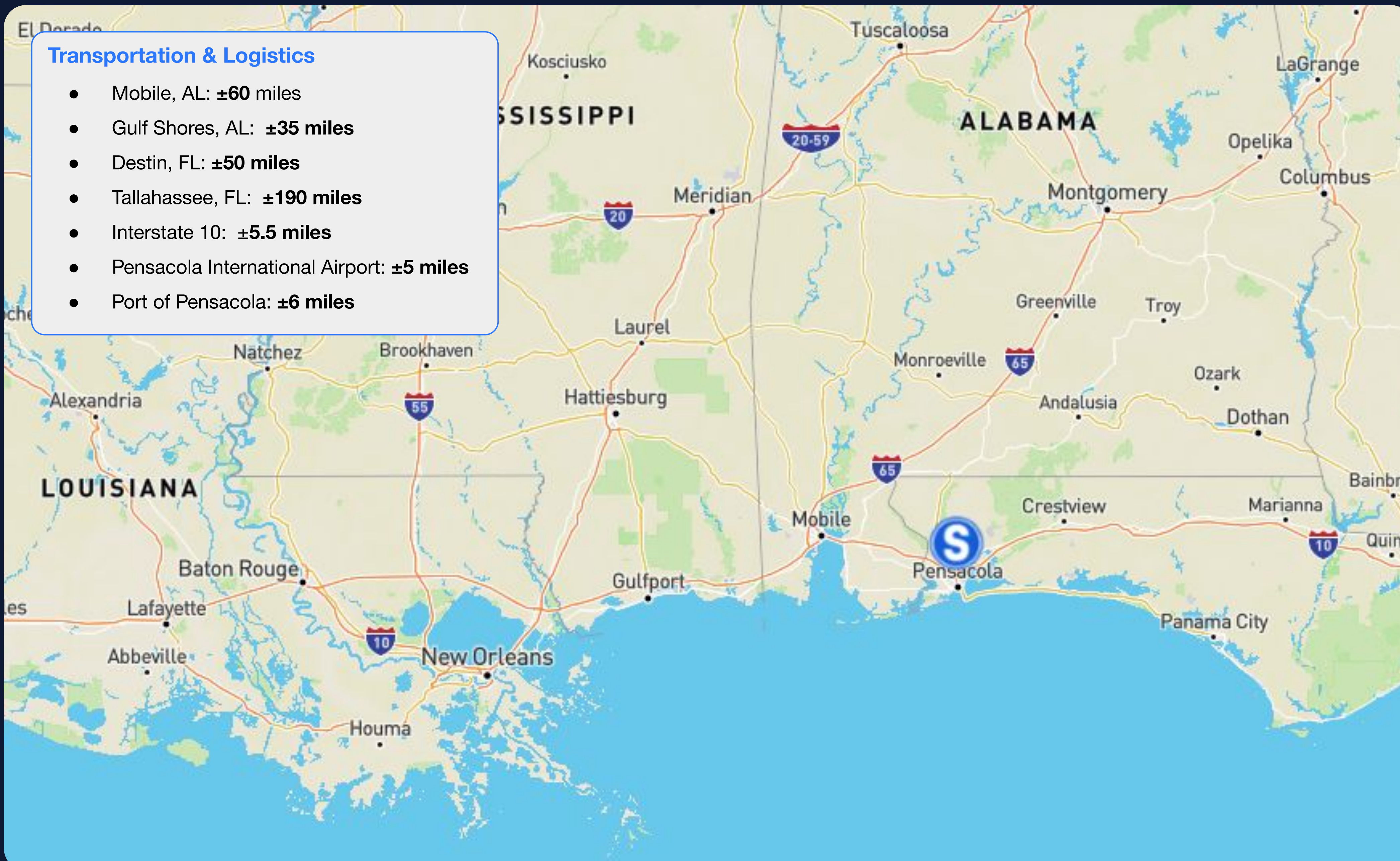
$3,950,000	±41,536 SF	$95.10	±2.18 AC
List Price	Total SF	Price Per SF	Lot Size

Property Information

Street Address	2370 N Palafox St
City, State, Zip	Pensacola, FL 32501
Total SF	±41,536 SF
Acreage	±2.18 AC
Coverage Ratio	43.74%
Zoning	C-3
Units	4
Tenants	3
Occupancy	38.97%
Term Remaining	±2.75 Years
Dock Doors	1
Grade Level Doors	3
Lease Type	NNN

MARKET OVERVIEW

2370 N Palafox St
Pensacola, FL 32501

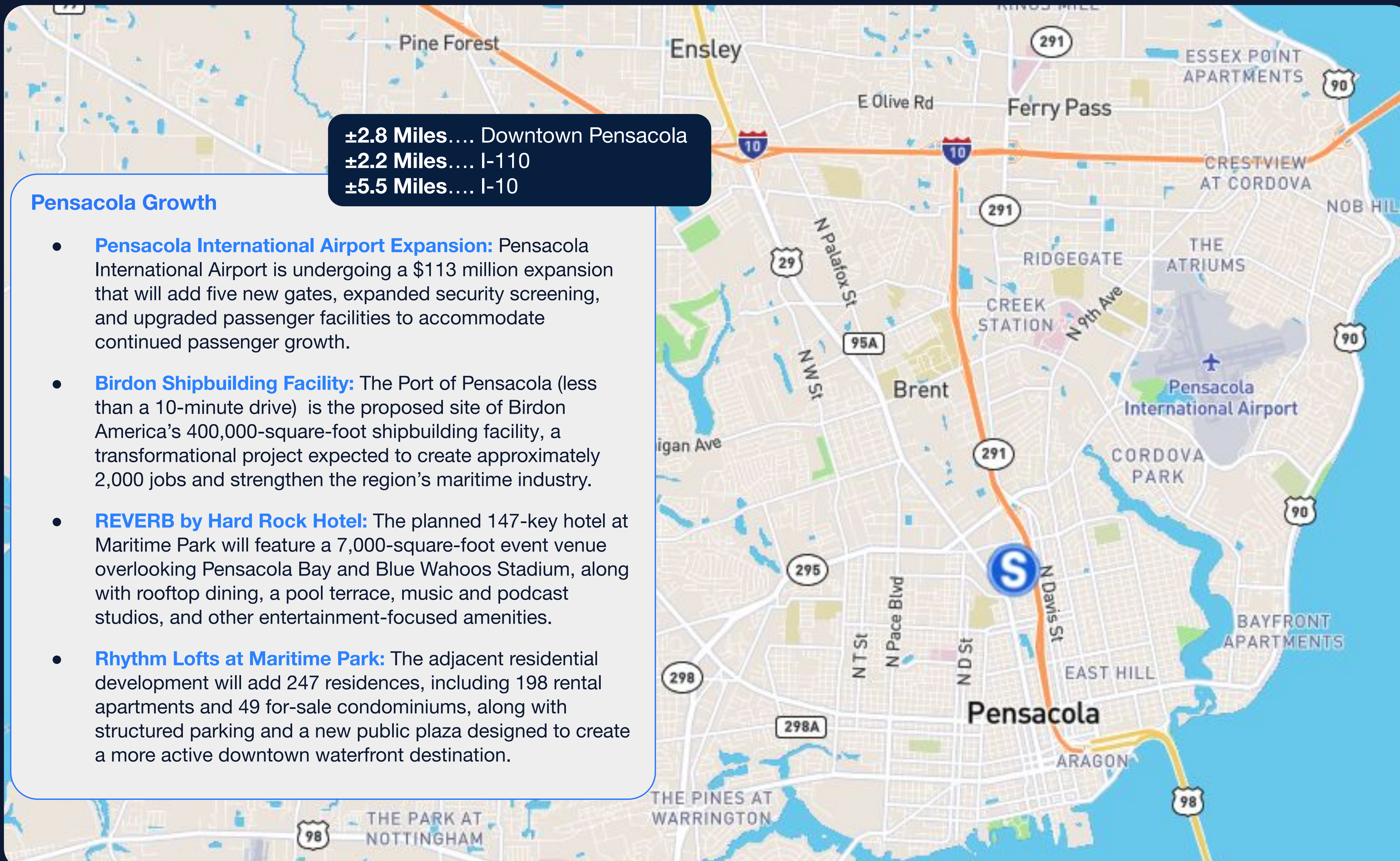


Transportation & Logistics

- Mobile, AL: **±60** miles
- Gulf Shores, AL: **±35 miles**
- Destin, FL: **±50 miles**
- Tallahassee, FL: **±190 miles**
- Interstate 10: ±**5.5 miles**
- Pensacola International Airport: **±5 miles**
- Port of Pensacola: **±6 miles**

MARKET OVERVIEW

2370 N Palafox St
Pensacola, FL 32501



±2.8 Miles…. Downtown Pensacola
±2.2 Miles…. I-110
±5.5 Miles…. I-10

Pensacola Growth

- **Pensacola International Airport Expansion:** Pensacola International Airport is undergoing a $113 million expansion that will add five new gates, expanded security screening, and upgraded passenger facilities to accommodate continued passenger growth.
- **Birdon Shipbuilding Facility:** The Port of Pensacola (less than a 10-minute drive) is the proposed site of Birdon America's 400,000-square-foot shipbuilding facility, a transformational project expected to create approximately 2,000 jobs and strengthen the region's maritime industry.
- **REVERB by Hard Rock Hotel:** The planned 147-key hotel at Maritime Park will feature a 7,000-square-foot event venue overlooking Pensacola Bay and Blue Wahoos Stadium, along with rooftop dining, a pool terrace, music and podcast studios, and other entertainment-focused amenities.
- **Rhythm Lofts at Maritime Park:** The adjacent residential development will add 247 residences, including 198 rental apartments and 49 for-sale condominiums, along with structured parking and a new public plaza designed to create a more active downtown waterfront destination.

Pensacola, FL

North Palafox Corridor Improvements:
The Property is located within the limits of FDOT's North Palafox resurfacing and safety-improvement project, which extended from Cervantes Street to Brent Lane. Corridor improvements included resurfacing, traffic-signal upgrades, curb-and-gutter work, new pavement markings, ADA-compliant sidewalks, and buffered bicycle lanes extending north to West Yonge Street.

Local Market Overview

Pensacola serves as the commercial and industrial center of Florida's western Panhandle, offering strategic access to Interstate 10, US 98, the Port of Pensacola, and Pensacola International Airport. Positioned along the Gulf Coast, the market provides efficient connectivity to regional population centers, major freight corridors, and key Southeast distribution networks, making it well-suited for manufacturing, warehousing, and logistics operations. Just minutes from the Property, Downtown Pensacola continues to experience significant investment with new restaurants, entertainment venues, residential developments, and hospitality projects, including the planned REVERB by Hard Rock Hotel and adjacent Rhythm Lofts at Maritime Park, further enhancing the city's appeal as a regional destination.

The Pensacola market benefits from steady population growth, a skilled and expanding labor pool, and a business-friendly operating environment. Ongoing commercial and infrastructure development, combined with increasing demand for warehouse and distribution space, reinforces the area's appeal for owner-users and investors seeking durable industrial fundamentals. Its central location within the Gulf Coast also provides convenient access to major markets across Florida, Alabama, Louisiana, and the broader Southeast, supporting efficient supply chain operations and future economic growth.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	63,640	129,785	291,974
Current Year Estimate	61,652	126,937	283,780
2020 Census	58,696	126,582	279,261
Households	**3-Mile**	**5-Mile**	**10-Mile**
Five-Year Projection	25,423	52,531	117,197
Current Year Estimate	24,612	51,377	113,824
2020 Census	23,601	51,700	112,430
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$86,072	$84,456	$92,847

'A Workforce-Rich Industrial Market Anchored by Defense & Logistics.'

Strategically positioned along the Gulf Coast with major defense, aerospace, logistics, healthcare, and advanced manufacturing employers.

Pensacola serves as the economic center of Northwest Florida, supported by a diversified employment base anchored by defense, aerospace, healthcare, logistics, and advanced manufacturing. Naval Air Station Pensacola, one of the region's largest employers, drives consistent investment and workforce demand, while Interstate 10, the Port of Pensacola, and Pensacola International Airport provide efficient regional and national connectivity. Combined with a growing labor force and business-friendly environment, the market continues to attract industrial users, distributors, and manufacturers.

Attractions

- Naval Air Station Pensacola employs thousands of military personnel and civilian workers, supporting long-term economic stability.
- Direct access to Interstate 10 provides east-west connectivity across the Gulf Coast and Southeast.
- Port of Pensacola offers deep-water shipping capabilities for domestic and international freight.
- Pensacola International Airport supports air cargo operations and business travel.
- Regional workforce strengthened by Pensacola State College, the University of West Florida, and military training programs.
- Growing presence of aerospace, aviation, manufacturing, logistics, and distribution companies.
- Central Gulf Coast location provides efficient access to major Florida, Alabama, and Louisiana markets.

MATTHEWS™

Exclusively Listed By

Nick Watson
FVP & Associate Director
(321) 960-1810
nick.watson@matthews.com
License No. SL3469703 (FL)

Gavin Dick
Analyst
(813) 725-3049
gavin.dick@matthews.com
License No. SL3640268 (FL)

Kyle Matthews | Broker of Record | Broker Lic. No.: BK3554632 (FL) | Firm Lic. No.: CQ1066435 (FL)