#### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

#### FORM 8-K

**Current Report** Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

#### November 10, 2020 Date of Report (Date of earliest event reported)

#### **GRIFFIN INDUSTRIAL REALTY, INC.**

(Exact name of registrant as specified in charter)

#### **Delaware**

(State or other jurisdiction of incorporation)

(Commission File Number)

#### 641 Lexington Avenue, New York, New York

(Address of principal executive offices)

Registrant's Telephone Number, including Area Code

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  $\square$ 

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12) 

Pre-commencement communications pursuant to Rule 14d-2 (b) under the Exchange Act (17 CFR 240.14d-2(b)) 

Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c)) 

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	GRIF	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (\$230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (\$240.12b-2 of this chapter).

Emerging growth company  $\Box$ 

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. 🗆

<u>1-12879</u>

(IRS Employer Identification No.)

06-0868496

10022 (Zip Code)

(212) 218-7910

#### Item 7.01. Regulation FD Disclosure

A copy of the presentation of Griffin Industrial Realty, Inc. ("Griffin" or the "Registrant") that will be posted to Griffin's website and used for its virtual Investor Day presentation on November 11, 2020 is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained and referenced in this Item 7.01, including the presentation attached as Exhibit 99.1, is being "furnished" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of Section 18 of the Exchange Act. The information in this Item 7.01 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or into any filing or other document pursuant to the Exchange Act, except as otherwise expressly stated in any such filing.

#### Item 9.01. Financial Statements and Exhibits

Exhibit 99.1: Registrant's November 11, 2020 Virtual Investor Day Presentation (attached hereto).

Exhibit 104: The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

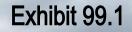
#### **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

#### GRIFFIN INDUSTRIAL REALTY, INC.

By: <u>/s/ Anthony J. Galici</u> Anthony J. Galici Vice President, Chief Financial Officer and Secretary

Date: November 10, 2020



### GRIFFIN INDUSTRIAL REALTY VIRTUAL INVESTOR DAY NOVEMBER 11, 2020

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### **FORWARD-LOOKING INFORMATION**

This presentation contains "forward-looking statements" based upon the Company's current best judgment & expectations. You can identify forward looking statements by the use of forward-looking expressions such as "may," "will," "should," "expect," "believe," "anticipate," "estimate," "intend," "plan," "annualized," "project," "continue" or any negative or other variations on such expressions. Although the Company believes that its plans, intentions and expectations as reflected in or suggested by those forward-looking statements are reasonable, the Company can give no assurance that the plans, intentions or expectations will be achieved. The Company has listed below some important risks, uncertainties and contingencies which could cause its actual results, performance or achievements to be materially different from the forward-looking statements it makes in this presentation. These risks, uncertainties and contingencies include, but are not limited to, the following: the success or failure of the Company's efforts to implement its current business strategy; the planned conversion to a REIT and related rebranding; the Company's ability to complete contemplated acquisitions, dispositions and development projects, and identify and complete additional property acquisitions and noncore asset dispositions and risks of real estate acquisitions and dispositions; expectations regarding stabilization of current or future properties or developments; availability of investment opportunities on real estate assets; the performance and financial condition of tenants and corporate customers; expectations regarding potential lease-ups or rental yields; the adequacy of the Company's cash reserves, working capital and other forms of liquidity; the availability, terms and deployment of short-term and long-term capital; demand for industrial and office space; the actions of the Company's competitors and the Company's ability to respond to those actions; the timing of cash flows from the Company's investments; the cost and availability of the Company's financings, which depends in part on the Company's asset quality, the nature of the Company's relationships with its lenders and other capital providers, the Company's business prospects and outlook and general market conditions; increases in financing and other costs, including a rise in interest rates; economic conditions generally and in the real estate markets and the capital markets specifically; and local economic or political conditions that could adversely affect the Company's earnings and cash flows; and other factors discussed under Part I, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended November 30, 2019 and under Part II, Item 1A, "Risk Factors" of the Company's Quarterly Report on Form 10-Q for the fiscal guarter ended August 31, 2020, in each case, as filed with the Securities and Exchange Commission (the "SEC").

Any forward-looking statements in this presentation, including guidance for future periods, speaks only as of the date on which it was made. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company assumes no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise. In evaluating forward-looking statements, you should consider these risks and uncertainties, together with the other risks described from time-to-time in the Company's reports and documents which are filed with the SEC, and you should not place undue reliance on those statements. The risks included here are not exhaustive. Other sections of this presentation may include additional factors that could adversely affect the Company's business and financial performance. Moreover, the Company operates in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

### **MANAGEMENT TEAM**



Gordon DuGan Chairman of the Board 9 months with Griffin

- Former CEO of Gramercy Property Trust from 2012 to 2018 and CEO of W.P. Carey & Co. from 2005 to 2010
- B.S. in Economics from the Wharton School of the University of Pennsylvania



Michael Gamzon President & Chief Executive Officer 12 years with Griffin

- Previously at Alson Capital Partners, LLC, a New York investment firm, and previously at Cobalt Capital
- B.A. from Yale University and an M.B.A. from the Harvard Business School



Anthony Galici Vice President, CFO & Secretary 23 years with Griffin

- Previously with Culbro Corporation before joining Griffin
- B.S. in Accounting from St. John's University, CPA and a member of the American Institute of Certified Public Accountants



Tim Lescalleet Senior Vice President 18 years with Griffin

- Previously EVP & Partner at The Codman Company
- B.A. from the University of Vermont and a R.E. diploma from Boston University



Scott Bosco Vice President – Construction & Development 15 years with Griffin

- Previously spent 14 years with CASLE Corporation as construction project manager.
- B.S. from the University of Maine and an MBA from the University of Hartford



Ashley Pizzo Director of IR & Capital Markets 4 months with Griffin

 Previously VP of IR & Capital Markets at Gramercy Property Trust, and previously, acquisitions at GPT and investment banking at Bank of America Merrill Lynch
 B.S. from

Georgetown University

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# WHO IS GRIFFIN?

### **GRIFFIN HERITAGE: EARLY 1900s - TODAY**

Early 1900s	<ul> <li>Originally founded by the Cullman family, Griffin's predecessor was once a cigar leaf tobacco growing &amp; trading business</li> </ul>
1961	• Acquired a controlling interest in the publicly-traded General Cigar Company — a leading U.S. cigar manufacturer
1967	<ul> <li>Acquired American Sumatra Tobacco Corporation, which led to ownership of 6,000+ acres of land and a nursery business centered in Connecticut, and created a real estate &amp; land development business</li> </ul>
1970s-80s	<ul> <li>Master-planned and developed commercial, industrial &amp; residential properties on excess agricultural land</li> </ul>
1997	<ul> <li>Culbro split into two separate entities: General Cigar Holdings and a newly formed public company, Griffin Land &amp; Nurseries, Inc.</li> </ul>
2010	<ul> <li>The business expanded into new markets outside Connecticut through acquisitions of an existing warehouse and 50 acres of land for industrial development in the Lehigh Valley of Pennsylvania</li> </ul>
2014-15	<ul> <li>Sold nursery business and rebranded as Griffin Industrial Realty to reflect a new focus on managing &amp; growing its industrial / warehouse property portfolio</li> </ul>
2017	Entered the Charlotte industrial market
2019	Entered the Orlando industrial market
2020	In March, transition of board Chairmanship to Gordon DuGan, in addition to new Director, Molly North In August, completed <b>first equity capital raise</b> in Griffin's 23-year public company history
2021	Planning to elect REIT status in 2021 and re-brand with new corporate name

### GRIFFIN INDUSTRIAL REALTY

### MISSION

To be a leading logistics real estate company focused on select high-growth, supply-constrained markets that can meet multiple drivers of demand within the modern supply chain, including local, regional and / or multi-market distribution.

Well-located, flexibly designed industrial / warehouse properties Strong local / regional economies with growing populations & logistics markets Critical supply-chain properties ranging from 75,000 to 400,000 SF

# **INVESTMENT HIGHLIGHTS**

### **INVESTMENT HIGHLIGHTS**



### <sup>01</sup> HIGH-QUALITY INDUSTRIAL PORTFOLIO & TENANCY

#### Flexible & Modern Portfolio in High Barrier, Supply-Constrained Markets with Solid Tenancy

4.2M Total Square Feet Across 30 Buildings

99.7%

Leased, excluding Unstabilized In-Service Properties (2)

**140,187** Average Building Size (SF)

30'

Weighted Average Clear Height

12 Average Building Age in the Portfolio (Years)



### 73%

of Industrial Leased SF to Tenants which are public companies or have annual revenue > \$500M <sup>(1)</sup>

70%

Industrial Tenant Retention YTD by number of leases <sup>(3)</sup>

**80,521** Average Lease Size (SF)

4.5

Weighted Avg. Remaining Lease Term (Years) (4)

99%+

Rent Collection Each Month During COVID-19<sup>(5)</sup>

Note: Portfolio metrics as of August 31, 2020. Includes all In-Service properties (see Appendix for definition of In-Service). Does not include development pipeline.

Includes parent companies of tenants in count for public company or revenue > \$500M.
 Unstabilized In Sonice Properties evolved from the % logged statistics are recently developed 160.8.180 International Drive (Charletta)

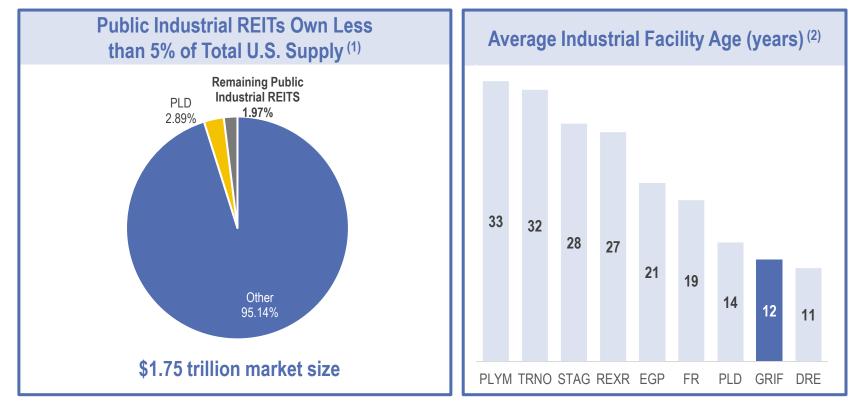
Unstabilized In-Service Properties excluded from the % leased statistics are recently developed 160 & 180 International Drive (Charlotte) and recently acquired 170 Sunport Lane (Orlando).

3. Tenant retention calculated as: (Total industrial leases renewed or extended) + (Total industrial leases renewed or extended + Total industrial leases that expired and were not renewed) during the period.

- 4. Weighted average lease term is calculated as term remaining for each tenant as of August 31, 2020 and is weighted by square footage.
- 5. See slide 51 for additional details on COVID-19 updates.

### <sup>02</sup> WELL-POSITIONED IN THE RIGHT SECTOR

- ✓ **Highly fragmented industrial real estate market** in the U.S. experiencing strong tailwinds <sup>(1)</sup>
- ✓ Young, well-located portfolio in strong markets 67% of Griffin's industrial SF has been developed by the Company since 2005
- Established track record of successful development and building acquisitions
- Potential to grow faster than peers starting from a small base (current TEV under \$500 million)



1. Industrial market size estimations and industrial ownership calculations per Berenberg Capital Markets report from October 28, 2020, Industrial REITs: a race for the last mile. Remaining Public Industrial REITs include DRE, FR, ILPT, EGP, PSB, REXR, MNR, PLYM and TRNO.

2. Source for peer data: Public company filings & transcripts, SNL, Real Capital Analytics and other public sources. Average age reflects the later of year constructed or last major renovation (if disclosed) and is weighted by square footage. DRE and STAG ages per company call transcripts. Griffin data as of August 31, 2020.

### <sup>03</sup> DISCIPLINED & PROVEN INVESTMENT STRATEGY

#### Markets

Concentrate on limited number of high-potential markets

#### Buildings

#### Mindset

Focus on mid-sized, marketappropriate industrial buildings (*not* bulk or flex) Think like developers & use this to our advantage (We buy buildings, not leases)

History of Value Creation through Development Since 2005

2.8	93.3%	Illustrative Value Creation Sensitivity				
Million SF delivered	Leased	\$ in millions (excl. per share)	Low	Mid	High	
\$194M	\$69.31	Anticipated Stabilized Cash Leasing NOI from Completed Developments <sup>(3)</sup>	\$16.0	\$16.0	\$16.0	
1 -		Illustrative Cap Rate Range	5.50%	5.00%	4.50%	
Total Costs <sup>(1)</sup>	Total Costs Per SF	Implied Value	\$290.4	\$319.5	\$355.0	
7 70/	0 1 0/	Illustrative Value Creation	\$96.0	\$125.0	\$160.5	
7.7%	8.1%	Illustrative Value Creation per Share	\$16.97	\$22.10	\$28.38	
In-Place Cash Yield <sup>(2)</sup>	Expected Stabilized Cash Yield <sup>(4)</sup>	Development Margin	48%	63%	81%	

Note: See Appendix for definitions of development metrics and non-GAAP measures, such as Cash Leasing NOI.

1. Total Costs include land, land improvements, building & building improvements as well as cumulative tenant improvements paid to date since building completion. Total cost excludes any depreciation.

- 2. Calculated as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), divided by Total Costs.
- 3. Defined as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), and includes additional adjustments to gross up for the value of free rent during the quarter at 160 International Drive (Charlotte) and as anticipated lease up of remaining vacancy to 95% leased at 160 International Drive (Charlotte) and 180 International Drive (Charlotte) at assumed market rents of \$5.00 PSF NNN. Cumulatively, these adjustments add an additional \$1.1 million in annualized Cash Leasing NOI from completed developments shown on slide 30. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed. See Appendix for definition of free rent.

4. Calculated as: (Anticipated Stabilized Cash Leasing NOI from Completed Developments) + (Total Costs for selected properties + anticipated additional Tenant Improvement costs in order to complete the adjustments for stabilized lease up of selected properties).

### <sup>04</sup> TRACK RECORD OF INTERNAL GROWTH WITH EXPERIENCED TEAM

All growth to date has been achieved without raising external equity





Developed and acquired 1.6 million SF since 2015 / entered 3 new markets

No joint venture partners or outside equity capital sources

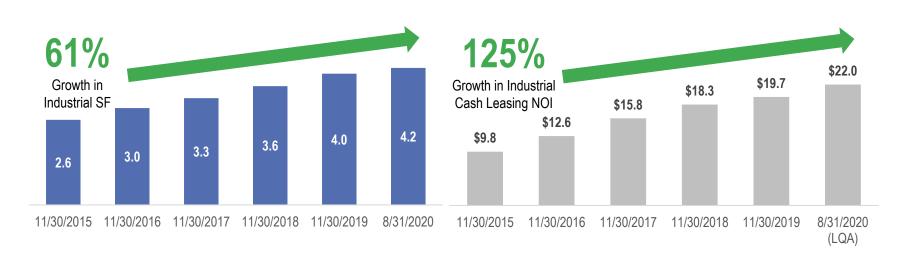
Historically financed typically with 10-year amortizing mortgages at +/- 65% or less LTV on stabilized buildings only



Nearly \$65 million in proceeds generated through assets/land sales reinvested in the industrial portfolio since 2012 (the majority through 1031 like-kind exchanges)

#### Industrial Square Footage (millions)

#### Cash Leasing NOI from Industrial Properties (\$mm)



### SIGNIFICANT INTERNAL & EXTERNAL GROWTH OPPORTUNITIES

#### Griffin Opportunities to Create Value

#### Significant anticipated embedded growth <sup>(1)</sup> in Industrial Cash Leasing NOI

LQA 8/31/20 Industrial Cash Leasing NOI

\$22.0M

04



LQA 8/31/20 Industrial Cash Leasing NOI, Adjusted for Embedded Growth <sup>(1)</sup>

Anticipated Embedded Industrial Cash Leasing NOI Growth <sup>(1)</sup>

+41%

Free Rent Burn Off & Estimated Lease Escalations <sup>(2)</sup>

Expected Stabilization Adjustments for Recent Developments & Acquisitions <sup>(2)</sup> Anticipated Completion and Stabilization of Owned Developments and Developments Under Agreement <sup>(2)</sup>

- Ability to complete developments on owned land or land under agreement – current development pipeline of \$89M <sup>(3)</sup>
- Continue to monetize non-core land / office assets and re-deploy capital into industrial real estate
  - Most office/flex properties have no permanent financing, and all undeveloped land is unencumbered
  - Convert assets contributing little to no operating income into income-producing industrial real estate
- Ability to leverage G&A and fixed costs
- Strategy to further penetrate existing markets and enter new geographies
- Acquisitions & developments have large impact on growth due to current portfolio size

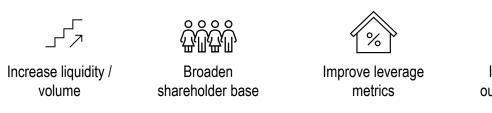
- 2. These are components of Embedded Industrial Cash Leasing NOI Growth and are defined in the Appendix as well.
- 3. Represents total estimated budget for the Chapmans Road, Old Statesville / Metromont, American Parkway and Jetport developments. Amount includes land purchase as well as anticipated TIs & LCs to be paid for property stabilizations. As of 8/31/20, approximately \$10.8 million of this budget has already been spent.

Note: Cash Leasing NOI is a Non-GAAP financial measure. See Appendix for definitions of Non-GAAP financial measures.

<sup>1.</sup> See Appendix for definition of Embedded Industrial Cash Leasing NOI Growth ("Embedded Growth"). Additional details can be found on slide 38. Griffin cannot guarantee that assumptions underlying Embedded Industrial Cash Leasing NOI Growth will be realized at their projected terms, if at all.

### STRATEGIC INITIATIVES UNDERWAY TO ENHANCE SHAREHOLDER VALUE

We are undertaking the following efforts to facilitate efficient access to the capital markets and to help drive growth in earnings and net asset value per share over the long term







Increase investor outreach & dialogue

Seek research coverage

#### **Changes to Corporate Structure**

- Planned conversion to a REIT to become effective January 2021
- Changes to Board of Directors
  - ✓ New Chairman
  - ✓ Recent additions, including two female real estate CEOs
  - New outside investor (Conversant Capital, formerly Cambiar Management)
- Upcoming re-branding from Griffin Industrial Realty to new name (to be announced)
- Planned change of fiscal year end from November 30<sup>th</sup> to December 31<sup>st</sup>

#### IR, Capital Raising & Investment Efforts

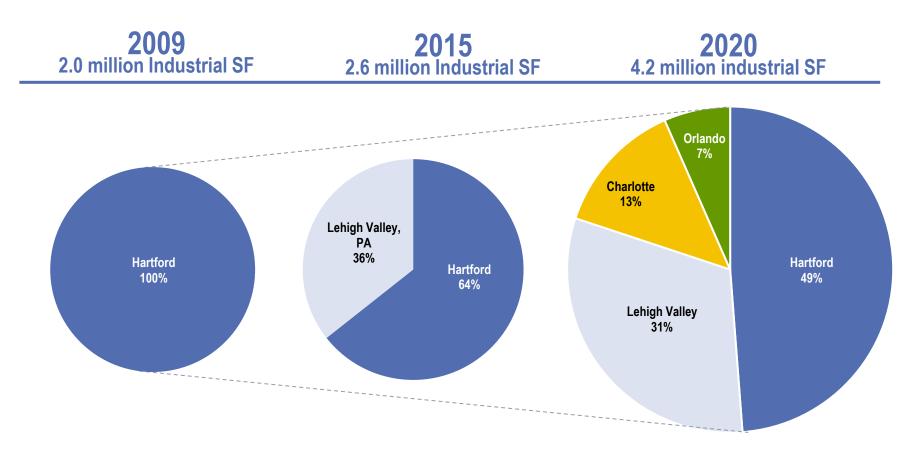
- Recent private placement transaction with Conversant Capital in August
- Enhanced disclosure & communication
  - ✓ Leasing releases
  - ✓ Earnings webcasts
  - Supplemental presentation
  - Investor materials
- Outreach
  - ✓ Investor Day
  - ✓ NAREIT & future conference participation
  - Investor property tours / meetings
  - Equity research coverage meetings



# HIGH QUALITY PORTFOLIO & TENANCY

### **INDUSTRIAL PORTFOLIO GEOGRAPHIC EVOLUTION**

Beginning with the land in the Hartford area that Griffin has owned since inception, the Company has strategically expanded into three additional growth markets, reducing its footprint in the Hartford market to less than 50%



# FOCUS ON HIGH-GROWTH, SUPPLY CONSTRAINED MARKETS

	Griffin	Broader Market
Hartford, CT (inception)	<ul> <li>2.1 million SF</li> <li>18 buildings</li> <li>100% leased</li> </ul>	<ul> <li>76 million SF industrial market <sup>(1)</sup></li> <li>Supply-constrained industrial market with solid fundamentals – 6th fastest growing secondary logistics market in U.S.<sup>(2)</sup></li> <li>Densely populated region, well-located for local &amp; regional distribution</li> <li>Significant recent investment by Amazon, UPS and FedEx in the region</li> </ul>
Lehigh Valley, PA (entered 2010)	<ul> <li>1.3 million SF</li> <li>6 buildings</li> <li>99% leased</li> <li>306,000 SF development pipeline</li> </ul>	<ul> <li>133 million SF industrial market <sup>(3)</sup></li> <li>Tier I market – I-78 / I-81 Corridor was 6th highest in U.S. for absorption in 2019 with 10.7 million SF <sup>(4)</sup></li> <li>Significant barriers to entry – limited properly-zoned, well-located sites and difficult entitlements</li> <li>Key distribution hub for NY metro, northeast and middle Atlantic; FedEx opened largest ground delivery site in the U.S. in the Lehigh Valley</li> </ul>
Charlotte, NC (entered 2017)	<ul> <li>560,000 SF</li> <li>3 buildings</li> <li>68% leased (includes 2 spec buildings not yet stabilized)</li> <li>520,000 SF development pipeline</li> </ul>	<ul> <li>225 million SF industrial market <sup>(5)</sup></li> <li>Over 18 million SF of absorption from Q1 2016 - Q2 2020 <sup>(5)</sup></li> <li>Robust local economy coupled with strong infrastructure – airport is the 6th busiest in North America, with intermodal rail yard and port access</li> <li>Well-located for local, regional and multi-market distribution</li> </ul>
Note: Griffin portfolio metrics as of August 31, 2019. 1. Source: CBRE Research. Hartford Industrial MarketView, Q3 2020. 2. Based on YTD absorption divided by inventory, per a CBRE U.S. Logistics Webinar from August 2020. 3. Source: CBRE Research. Pennsylvania I-78/I-81 Corridor Industrial, Q3 2020. Includes buildings over 40,000 SF. 4. Source: CBRE Research. U.S. Industrial & Logistics Figures, Q4 2019. 5. Source: CBRE Research. Charlotte Industrial MarketView, Q2 2020.	<ul> <li>277,000 SF</li> <li>3 buildings</li> <li>82% leased (one acquisition not yet stabilized)</li> <li>195,000 SF development pipeline</li> </ul>	<ul> <li>122 million SF industrial market <sup>(6)</sup></li> <li>Lack of industrial land near transportation corridors</li> <li>Last five years' absorption has outpaced new construction with 15.3 million SF of demand compared to 8.5 million SF delivered</li> <li>Key location for local and regional distribution; center of the third most populous state ("to Florida, from Florida")</li> </ul>

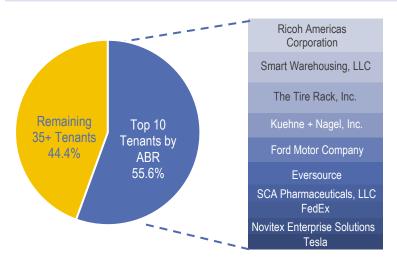
Source: CBRE Research, Charlotte Industrial Marketview, Q2 2020. 5.

6. Source: CBRE Research. Orlando Industrial MarketView, Q3 2020.

### **STRONG & STABLE INDUSTRIAL TENANTS**

73% of Griffin's leased square footage is under lease to tenants which are (or subsidiaries of) public companies or have annual revenue > \$500 million

Top Tenants by Annualized Base Rent





#### Tenant Size Breakdown

Leased Square Feet	% of Total Leased SF	% of Total Annualized Base Rent	
0 – 9,999 SF	1.0%	0.7%	7
10,000 – 24,999 SF	3.7%	3.5%	
25,000 – 74,999 SF	24.4%	25.2%	
75,000 – 149,999 SF	28.5%	27.1%	- c
150,000 – 299,999 SF	27.1%	28.8%	
300,000 SF +	15.3%	14.7%	S
TOTAL	100.0%	100.0%	

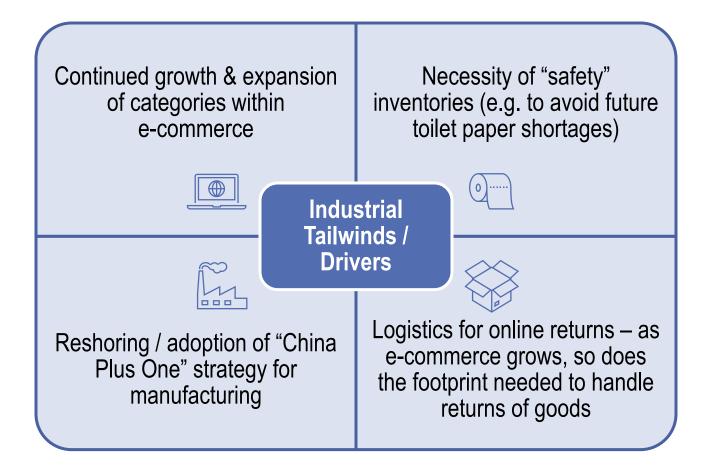
The vast majority of Griffin's tenants lease over 25,000 SF, and have continued to operate in their leased spaces during the COVID-19 crisis

Note: Griffin portfolio metrics as of August 31, 2019.SCA Pharmaceuticals as top tenant is adjusted for upcoming expansion into neighboring tenant's space. See Appendix for definition of Annualized Base Rent ("ABR").



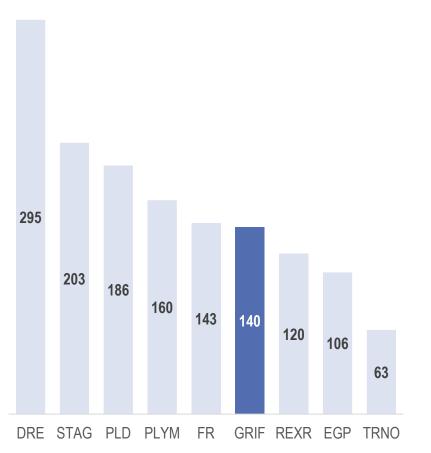
# WELL-POSITIONED IN THE RIGHT SECTOR

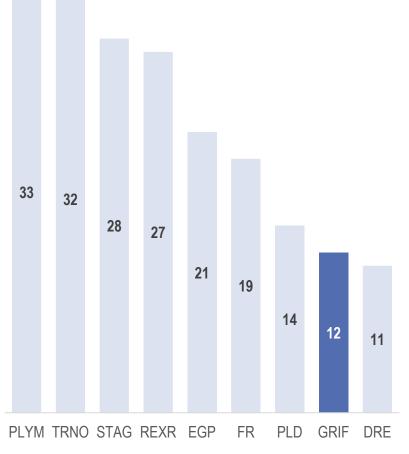
### INDUSTRIAL CONTINUES TO BENEFIT FROM MACROECONOMIC & SECULAR TAILWINDS



### **GRIFFIN'S ASSETS COMPARE FAVORABLY TO PEER INDUSTRIAL REITS...**

Average Industrial Facility Size (Square Feet 000s) Weighted Average Industrial Facility Age (Years)



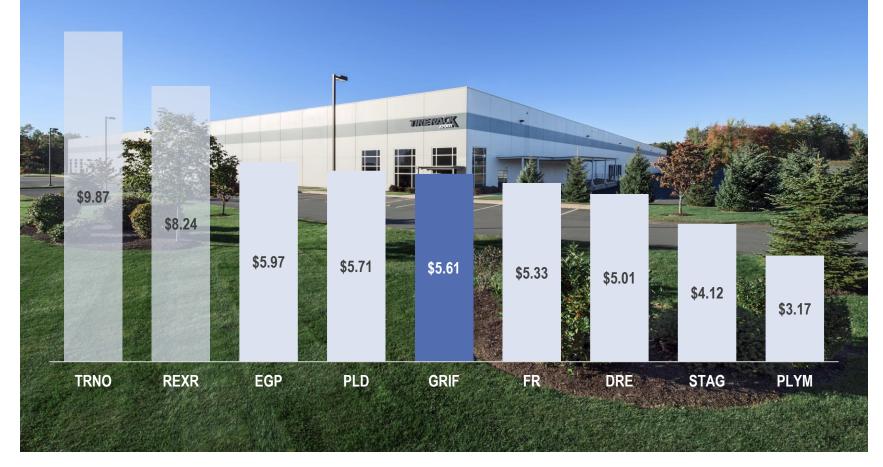


Source for peer data: Public company filings & transcripts, SNL, Real Capital Analytics and other public sources.

Note: Average age reflects the later of year constructed or last major renovation (if disclosed) and is weighted by square footage. DRE and STAG ages per company call transcripts. Griffin data as of August 31, 2020.

### ...AND COMMAND SIMILAR RENTAL RATES

LQA (Q3 2020) Cash Leasing NOI per Square Foot





# DISCIPLINED & PROVEN INVESTMENT STRATEGY

### **GRIFFIN'S 3-PRONGED APPROACH**

#### Markets

What we do:

Concentrate on limited number of high-potential markets.

- Dive deep into current & future demand drivers
- ✓ Who are tenants / why are they there?
- Economic / population growth
- ✓ Supply (recent and pipeline) & barriers
- Identify key sub-market differences

### Buildings

#### What we do: We focus on smaller industrial buildings (*not* bulk or flex).

- ✓ Minimize risk / exposure from big box
- Avoid management intensive, weak credit tenants in flex / last-mile buildings
- Flexibly-designed/easy to re-tenant assets with broad uses

### ₽

#### What it leads to:

- Acquisitions that may be below target size or equity check for larger competitors
- Somewhat less competitive markets / sizes for acquisitions

### Mindset

#### What we do:

We think like developers & use this to our advantage. We buy buildings, not leases.

- Understand economics of renovation, maintenance costs, development, TI
- Avoid specialized buildings / improvements



#### What it leads to:

- Willingness to buy value-add assets and unlock value through redevelopment and repositioning
- ✓ Understand how to price assets vis-avis replacement costs
- Understand barriers / challenges to development that influence future pricing & demand for properties

#### What it leads to:

- ✓ Off-market deals
- Confidence in rent growth / value appreciation over time (minimize downside)
- ✓ Purchases of "less obvious" buildings

### **MARKETS: GRIFFIN MARKETS STRATEGY**

#### Aim to **check at least two**, if not all three, **criteria** for investment into additional markets

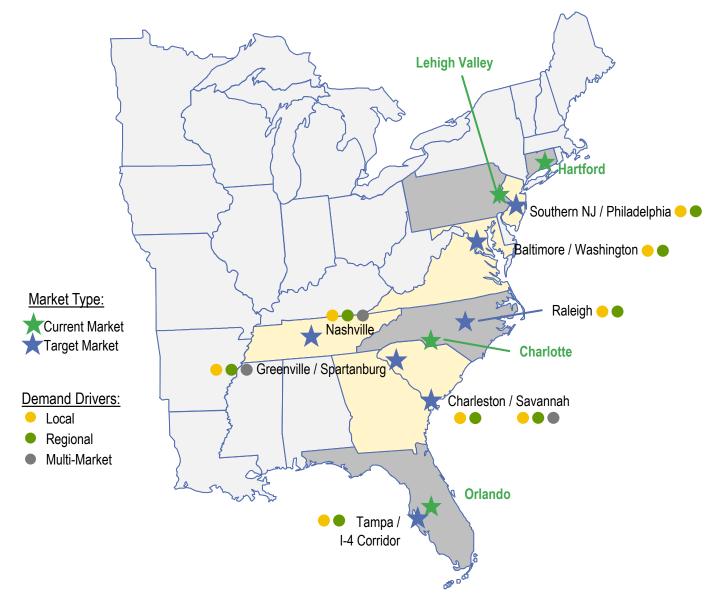
	Markets that have access to a large population and / or are experiencing	Criteria #3	Serves Multiple Drivers of Demand (Local Regional and / or Multi-Market)
	favorable population & economic growth	Hartford	
		Lehigh Valley	
Criteria #2 supply constraints in	Markets that have high barriers to entry / supply constraints in "A" locations	Charlotte	
	and/or "A" submarkets	Orlando	
	al Regiona		Multi-Market

- Infill locations or close • proximity to city centers
- Direct to consumer or • business to business deliveries

- Less than 1-day drive to target delivery • market
- Direct delivery or delivery to local / last ٠ mile facilities
- Serves a single state or small region •

- Key transport hubs / 1-day drive or further • deliveries
- Delivery to regional or local facilities ٠
- Serves multiple states / large geographic • regions (East coast, Southeast)

### **MARKETS: INITIAL TARGET MARKETS**



### **BUILDINGS: "SWEET SPOT" FOR BUILDING SIZE**

### X Under 75K SF

Flex / Small Tenant / Small Bay

- Constant leasing and rollover
- Management & capital intensive diseconomies of scale & inefficiencies with smaller tenants
  - Improvements have disproportionately high cost / SF
  - More tenants can lead to more repair & maintenance
- Tenants often will have weak credit



# 75-400K SF

Mid-Sized Industrial Properties

### X Over 400K SF

Bulk / Big Box Warehouses

- Big boxes create large exposures to individual tenants / properties
- Fewer tenants / transactions of that size within a market in a typical year
- Less of an opportunity to locate "closer-in" to population centers
- Lower rents typically better rents for smaller tenants

Within this sweet spot, we seek buildings that provide a greater range of re-leasing scenarios:

Flexible

#### design Generally suitable for 1-3 tenants

## Market appropriate features

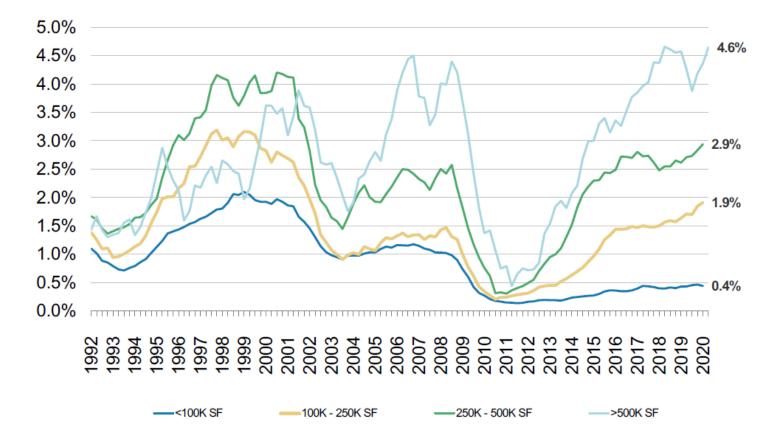
Truck courts, building depth, clear height

# Avoid specialized designs

E.G., L-shapes, exceedingly deep buildings, limited loading

### **BUILDINGS: U.S. SUPPLY ACROSS INDUSTRIAL SIZES**

12 Month Completions as % of Inventory is Consistently Lowest in Smaller Building Sizes Over the Last 20 years



### **MINDSET: WE THINK LIKE DEVELOPERS**

Griffin has developed 67% of its total industrial / warehouse square footage, or 2.8 million square feet since 2005

History of Value Creation Across Markets Since 2005								
Market	Total SF Delivered	Tot	tal Costs	<b>(\$mm)</b> <sup>(1)</sup>	% Leased	In-Place Cash Yield <sup>(2)</sup>	Expected Stabilized Cash Yield <sup>(4)</sup>	
Hartford, CT	1,325,564			\$91.7	100.0%	9.1%	9.1%	
Lehigh Valley, PA	1,196,640			\$81.9	99.1%	7.6%	7.6%	
Charlotte, NC	283,213			\$20.8	37.1%	1.7%	6.3%	
Total	2,805,417			\$194.4	93.3%	7.7%	8.1%	
Illustrative Value Creation Sensitivity \$ in millions (excl. per share) Low Mid High					<ul> <li>Griffin's "development DNA" resulted in high returns across the portfolio</li> </ul>			
Anticipated Stabilized Cash		<b>Low</b> \$16.0	Mid \$16.0	High \$16.0	Historically, all development activity has been self-			
Illustrative Cap Rate Range		5.50%	5.00%	4.50%	<ul> <li>Griffin also has developed and continues to see build-to-suit opportunities when appropriate for</li> </ul>			
Implied Value		\$290.4	\$319.5	\$355.0				
Illustrative Value Creation			\$125.0	\$160.5	owned land sites (e.g., Ford, Tire Rack)			
Illustrative Value Creation per Share \$16.97 \$22.10 \$2								
Deve	63%	81%						

Note: See Appendix for definitions of development metrics and non-GAAP measures, such as Cash Leasing NOI.

1. Total Costs include land, land improvements, building & building improvements as well as cumulative tenant improvements paid to date since building completion. Total cost excludes any depreciation.

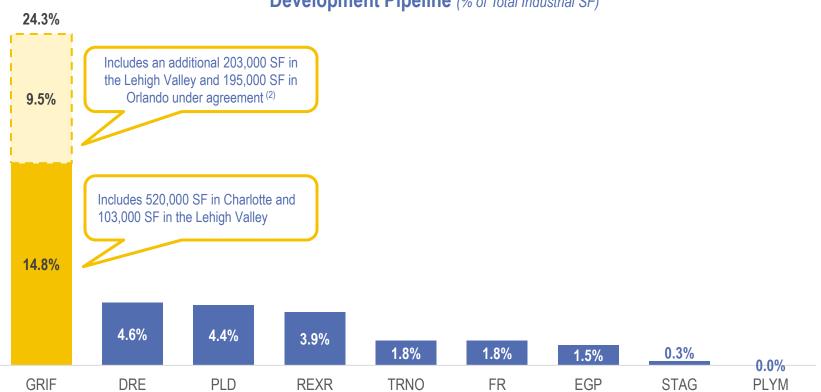
2. Calculated as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), divided by Total Costs.

3. Defined as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), and includes additional adjustments to gross up for the value of free rent during the quarter at 160 International Drive (Charlotte), as well as anticipated lease up of remaining vacancy to 95% leased at 160 International Drive (Charlotte) and 180 International Drive (Charlotte) at assumed market rents of \$5.00 PSF NNN. Cumulatively, these adjustments add an additional \$1.1 million in annualized Cash Leasing NOI from completed developments shown on side 30. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed. See Appendix for definition of free rent.

4. Calculated as: (Anticipated Stabilized Čash Leasing NOI from Completed Developments) ÷ (Total Costs for selected properties + anticipated additional Tenant Improvement costs in order to complete the adjustments for stabilized lease up of selected properties).

### **MINDSET: WE THINK LIKE DEVELOPERS**

#### Significantly Higher Potential Growth Through Development as Compared to Peers <sup>(1)</sup>



**Development Pipeline** (% of Total Industrial SF)

Griffin data as of the fiscal quarter ending August 31, 2020 and reflects planned developments on owned land as of that date, and additional prospective developments on land that is in the pipeline, as shown in the upper portion of the 1. bar stack. Peer data is per each company's filings for Q3 as of September 30, 2020. TRNO & STAG numbers represent redevelopment SF. For EGP, chart does not include 1,528,000 square feet of properties in "lease-up" as part of the development pipeline.

2. Developments in Griffin's pipeline are subject to satisfactory completion of due diligence and receipt of necessary approvals, which cannot be guaranteed.

### **LEHIGH VALLEY DEVELOPMENTS IN PROGRESS**

#### Chapmans Road (Under Construction)



#### American Parkway (Under Agreement)<sup>(1)</sup>



- 103,000 SF single building under construction
- Expected completion in Q3 2021

- 203,000 SF single building proposed land is under agreement and subject to completion of diligence and approvals
- Expected completion in Q2 2022

### **CHARLOTTE & ORLANDO DEVELOPMENTS IN PROGRESS**

#### Charlotte: Old Statesville Road (Entitled)

#### Orlando: Jetport (Under Agreement)<sup>(1)</sup>



 520,000 SF entitled across 3 buildings, but evaluating alternative site plans, including one for 2 larger buildings



- 195,000 SF planned across 2 buildings
- Expected completion in Q1 2022

### **ORLANDO CASE STUDY: THE STRATEGY**

Within 10 months acquired 3 buildings totaling 277,000 SF and put under agreement land to develop an additional 195,000 SF

- Strong local economy and demographics with supply constrained market suitable for local/last mile and regional distribution
- "Groundwork" on the market led to off-market / softly-marketed acquisition opportunities and allowed us to respond quickly to lock up the properties
- Flexible acquisition mandate within targeted market; ability to buy stabilized (low cap rate), value-add and land for development
- Targeted smaller, one-off opportunities (less competitive)

Buildings +/- 75k to 400K SF

Markets

Deep Dive

- Average building size of five assets will be approximately 95,000 square feet (including pipeline development) – market appropriate size
- Buildings are / will be used for local & regional distribution

Mindset Think Like a Developer

- By looking to create a portfolio, we could start with a "core" acquisition to seed the higher yielding follow-on opportunities
- Took on a significant renovation at a value-add property (170 Sunport Lane)
- Experience with building acquisitions informed land acquisition which resulted in a modified site plan
- Created value by assembling the portfolio

### **ORLANDO CASE STUDY: THE ASSETS**

✓ A portfolio with buildings similar to Sunport sold for estimated 5.1% stabilized cap rate or ~\$135 PSF



Seller "liked" the Griffin story and that we closed recently on similar building nearby



as if part of a portfolio or a larger building

- Softly marketed for sale difficult for showings as vacant space needed renovation
- Griffin's value-add work just completed; Expect stabilized yield between 6.5%-7.0%



- Under agreement and seeking entitlements for twobuilding development totaling 195,000 SF
- Acted quickly to secure the land once previous buyer backed out due to COVID-19
- Expect stabilized yield above 6%
- 1. Stabilized Cost PSF includes purchase price, inclusive of acquisition costs, for each Chancellor Drive, Maggie Boulevard and Sunport Lane. Stabilized Cost PSF also includes approximately \$1.6 million in renovation and anticipated leasing costs for Sunport Lane value-add acquisition and \$19.6 million in total purchase, construction and leasing costs for Jetport Land under agreement to construct two buildings totaling 195,000 SF. Square footage includes 100,045 SF for Chancellor Drive, 108,312 SF for Maggie Boulevard, 68,320 SF for Sunport Lane and planned development of 195,000 SF for Jetport.
- 2. Estimated yield of approximately 6.1% based on Cash Leasing NOI for the assets shown here divided by the stabilized costs as explained in footnote #1 above. Cash Leasing NOI for Chancellor Boulevard and Maggie Drive, which are both 100% leased, are as of Q3 2020, annualized. Cash Leasing NOI for 170 Sunport Lane assumes lease up of remaining vacancy at assumed market rents of \$7.25 PSF NNN. Cash Leasing NOI for Jetport assumes completion of land acquisition and development of land into 195,000 SF of industrial, which is assumed to be leased at market rents of \$6.50 PSF NNN.
- 3. Subject to satisfactory completion of due diligence and receipt of necessary approvals.



# SIGNIFICANT INTERNAL & EXTERNAL GROWTH OPPORTUNITIES

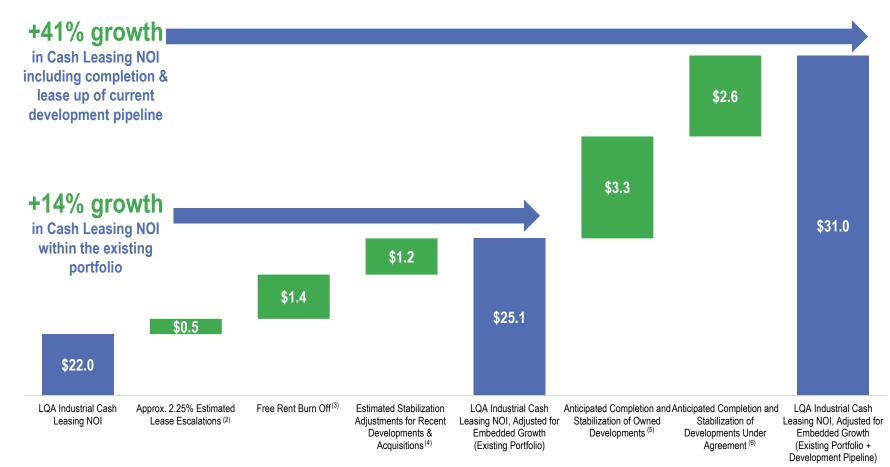
### HISTORY OF PORTFOLIO GROWTH WITH NO EXTERNAL EQUITY

### Industrial Square Feet (in millions)

Industrial Cash Leasing NOI (\$ in millions)



### EMBEDDED INDUSTRIAL CASH LEASING NOI GROWTH<sup>(1)</sup>



Note: Dollars shown in millions. Example is illustrative only. Griffin cannot guarantee that Cash Leasing NOI will grow as suggested, if at all. Cash Leasing NOI is a non-GAAP financial measure. See Appendix for non-GAAP reconciliations.

- 1. See Appendix for full definition of Embedded Industrial Cash Leasing NOI Growth ("Embedded Growth").
- Griffin approximates that the weighted average base rental rate contractual escalation across its industrial portfolio for leases in-place as of August 31, 2020 is approximately 2.25% over the course of the next year. Embedded Industrial Cash Leasing NOI Growth includes \$0.5 million from Estimated Lease Escalations, to reflect an increase of 2.25% on LQA Cash Leasing NOI from industrial properties of \$22.0 million.
- 3. During fiscal Q3, Griffin had instances of foregone revenue as a result of rent abatement provisions (free rent) in the respective leases at the following properties: 20 International Drive (CT), 75 International Drive (CT), 4270 Fritch Drive (PA), 6975 Ambassador Drive (PA) and 160 International Drive (NC). Embedded Industrial Cash Leasing NOI Growth includes \$1.4 million from Free Rent Burn Off, to reflect the amount of rent in abatement during the third quarter's Cash Leasing NOI from industrial properties on an annualized basis.
- 4. Assumes lease up of remaining vacancy to 95% occupancy at 160 & 180 International Drive in Charlotte and 170 Sunport Lane in Orlando would add an additional \$1.2 million in annualized Cash Leasing NOI, assuming market rents of \$5.00 PSF NNN in Charlotte and assuming market rents of \$7.25 PSF NNN in Orlando. This \$1.2 million is included in Embedded Industrial Cash Leasing NOI Growth. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed.
- 5. Assumes completion of 3 buildings in Charlotte totaling 520,000 SF, leased at assumed market rents of \$5.00 PSF NNN and assumes completion of a 103,000 SF building in the Lehigh Valley, leased at assumed market rents of \$6.75 PSF NNN. The completion of these developments and leasing activity for these developments at these assumed rents, or at all, cannot be guaranteed. These assumption contribute \$3.3 million to Embedded Industrial Cash Leasing NOI Growth.
- Assumes acquisition of land for development and completion of the development and leasing activity for these developments at these assumed rents, or at all, cannot be guaranteed. These assumption contribute \$2.6 million to Embedded Industrial Cash Leasing NOI Growth.

### **ABILITY TO LEVERAGE G&A**

As Griffin's portfolio and Cash Leasing NOI continues to grow, we expect G&A as a percentage of this NOI to also continue to decrease

(\$ in 000s)	
LQA Q3 2020 G&A Expenses	Description & Growth Expectations Over Time
\$9,160 \$428 \$740	REIT Conversion & Strategic Initiatives
\$1,324	REIT Conversion & Strategic Initiatives Holding Costs of Undeveloped Land Other G&A <sup>(1)</sup>
\$1,180	Public Company Expenses <sup>(2)</sup>
\$1,924	Non-Cash Comp Expenses (3)
\$3,564	Cash Compensation Expenses (Includes Operating Personnel such as Asset Management and Construction / Development)
LQA 8/31/20	

# Strong "flow-through" of incremental NOI...

(\$ in millions) Industrial Cash Leasing NOI % Growth	<b>LQA</b> 8/31/20 \$22.0	Adjusted for Embedded Growth <sup>(4)</sup> \$31.0 41.0%
Less: G&A Expenses	(\$9.2)	(\$9.2)
Industrial Cash Leasing NOI after G&A % Growth	\$12.8	\$21.8 <b>70.2%</b>
G&A leverage c	an load to	

G&A leverage can lead to significantly higher growth

Note: Example is illustrative only. Griffin cannot guarantee that Cash Leasing NOI will grow as suggested, if at all. Cash Leasing NOI is a non-GAAP financial measure. See Appendix for non-GAAP reconciliations.

1. Includes items such as marketing costs, liability insurance, occupancy costs, etc.

2. Includes items such as audit and tax preparation fees, board expenses, legal costs (excluding REIT conversion), etc.

3. Includes stock options and deferred comp plans.

4. See previous slide for detail on Embedded Industrial Cash Leasing NOI Growth. Full definition and components are also available in the Appendix.

### SAME PROPERTY NOI ("SPNOI") & LEASING SPREADS

#### Industrial SPNOI – Cash Basis

	As of 8/31/2020	
Q3	9 Months Ended	Trailing 12 Months Ended
0.0%	4.8%	6.0%

#### **Considerations for SPNOI Growth**

- Given smaller portfolio, a few larger leases (200K SF+) can have disproportionate impact on SPNOI growth in a given period:
  - Free rent (including deals struck during early stages of COVID-19 pandemic)
  - ✓ Scheduled downtime as part of tenant expansions
- We are 99.7% occupied in what is expected to be 2021's same property pool
   Crowth in 2021 limited to repeated and acceletions
  - ✓ Growth in 2021 limited to renewals and escalations
  - ✓ No benefit from lease up of unstabilized properties as they will not yet be in the 2021 same property pool

### Industrial Weighted Averaged Rent Growth from Leasing Activity

	Q3 8/31/20	9 Months Ended 8/31/20
Cash Basis	3.6%	4.6%
Straight Line Basis	16.5%	16.6%

#### **Considerations for Rent Growth from Leasing**

- Griffin historical approach to leasing vs. typical industrial REIT practice
  - Did not disaggregate "above-standard" TI from base rent for turn-key deals
  - Amortization of excess TI, making capex for certain deals look "heavy"
  - Reimbursement for excess tenant work could lead to amortized "noncash" rent as revenue over the lease term
- Large deals can disproportionately impact metrics
- Certain deals struck during early stages of COVID-19 impact 2020 results

### **MONETIZATION OF NON-CORE ASSETS**

Strong history of monetizing non-core assets and deploying proceeds into acquisitions of industrial buildings and land for development outside of Connecticut

### Office / Flex & Land Summary

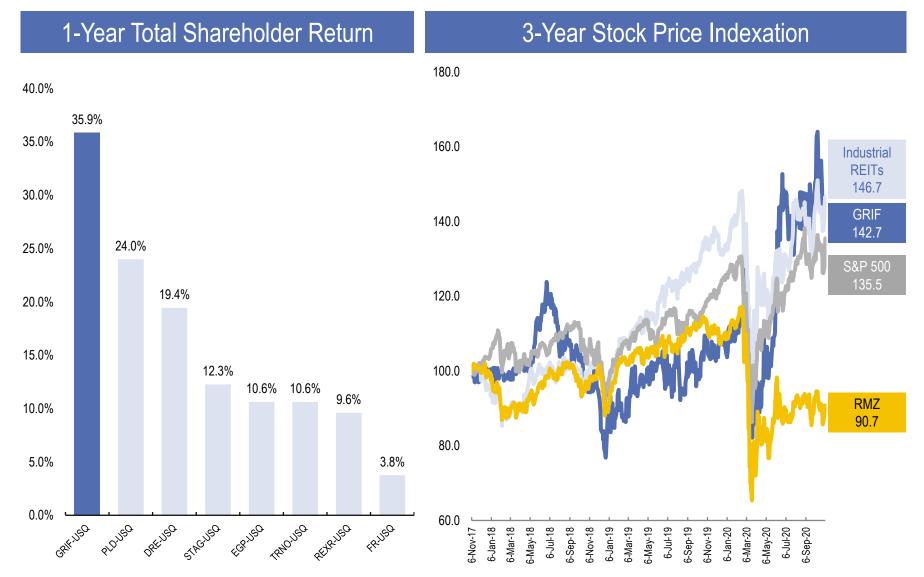
Office / Flex	8/31/20 Total Office Properties	Properties Under Agreement for Sale <sup>(1)</sup>	Remaining Portfolio after Anticipated Sales
Square Footage	432,970	201,374	231,596
# of Buildings	12	3	9
% of Total Industrial & Office Portfolio SF	9.3%	4.3%	5.2%
Net Book Value	\$17.0M	\$7.9M	\$9.1M
LQA Leasing NOI	\$2.2M	\$0.3M	\$1.9
Percent Leased	64.7%	41.9%	84.5%
Land	8/31/20 Total Land	Land Under Agreement for Sale <sup>(1)</sup>	Remaining Land after Anticipated Sales
Acres	3,394.1	579.3	2,814.8
Net Book Value	\$14.3M	\$6.0M	\$8.2M

- Griffin has a successful track record of selling land and redeploying the proceeds into income-producing industrial real estate
- Nearly \$65 million in proceeds generated through assets / land sales reinvested in the industrial portfolio since 2012 (the majority through 1031 like-kind exchanges)
- Nearly \$20 million (\$7.65 million of office & \$12.0 million of land) under agreement currently<sup>(1)</sup> with no expected dilution to operating income
  - ✓ Current office sales reflect weakest performing assets
    - 5 & 7 Waterside Crossing 52% leased
    - 55 Griffin Road South fully vacant
  - ✓ Land under agreement for sale currently generates no Cash Leasing NOI and has carrying costs embedded in G&A
- Recent land sales were deployed into 1031 land purchases for developments of:
  - ✓ 6975 Ambassador Drive (Lehigh Valley)
  - ✓ 160 & 180 International Drive (Charlotte)
  - ✓ Chapmans Road (Lehigh Valley under development)
  - ✓ Old Statesville Road (development pipeline)
  - Plus a 277,000 SF building acquisition at 215 International Drive (Charlotte)



# STRATEGIC INITIATIVES UNDERWAY TO ENHANCE SHAREHOLDER VALUE

### SHAREHOLDERS HAVE ENJOYED STRONG RELATIVE PERFORMANCE...



Source: 3-Year Factset data from November 6, 2017 through November 5, 2020. 1-Year Factset data from November 6, 2019 through November 5, 2020. Industrial REITs peer average in stock price indexation chart is comprised of the same industrial REIT peers listed in the total shareholder return chart at left.

### ...HOWEVER, GRIFFIN IS STILL VALUED AT A DISCOUNT TO PEERS

Implied Cap Rate <sup>(1)</sup>

Premium / (Discount) to NAV<sup>(2)</sup>



Note: See Appendix for calculation of Griffin implied Industrial Cap Rate.

1. Implied Cap Rate is per Citi Investment Banking estimates as of November 5, 2020.

2. Peer NAV Data per Green Street estimates, excluding STAG which represents FactSet consensus estimates as of November 6, 2020. Premium calculated against share price as of November 5, 2020.

### 2020 – WHY NOW?

### Proven, Repeatable Strategy w/ Team in Place

- Proven and repeated success entering new markets over the past several years
- Employed effective strategy to both acquire and develop in new markets
- Strong platform with most of the infrastructure in place to support future growth

### Stakeholder Support

- ✓ Generational transition at CEO & Chairman levels
- Desire to increase stock liquidity and accelerate shareholder value
- Expanded number of independent board directors with significant real estate experience

### Constructive Market Conditions & Industrial Tailwinds

- Planned transition to REIT structure
- Market education / enhanced disclosure efforts underway combined with existing investor interest in industrial sector
- Opportunity to raise capital to increase rate of growth & scale through combination of acquisitions and developments

### 2020 – LAYING THE GROUNDWORK



### Gordon F. DuGan

#### Chairman of the Board

- CEO of Gramercy Property Trust from June 2012 to October 2018
- CEO of W.P. Carey & Co. from 2005 to 2010

### Case Study: Gramercy Property Trust ("GPT")

- Gordon joined GPT in July 2012, when the equity market capitalization of the business was below \$200M
- Gordon and his team spent the next five years pivoting the business from a commercial lending & net lease business to a pure play equity REIT focused on industrial properties, which grew to over 80 million square feet
- In October 2018, Gramercy was acquired by Blackstone for \$7.6 billion, or over \$4.5 billion in equity value

### **NEXT STEPS**

Execute on our plans and investment strategies to drive growth in earnings, NAV and shareholder value over time

- Planned conversion to a REIT & fiscal year change from November 30<sup>th</sup> to December 31<sup>st</sup>
- Planned **re-branding** from Griffin Industrial Realty to new name (to be announced)
- Work towards more efficient access to the capital markets for external growth
  - Improve leverage metrics through growth in assets
  - Seek research coverage
  - Continue to provide enhanced disclosure and communication
  - Investor outreach, events, conferences to broaden shareholder base and increase liquidity & volume

#### Capital Markets Case Study: August 2020 PIPE Goals

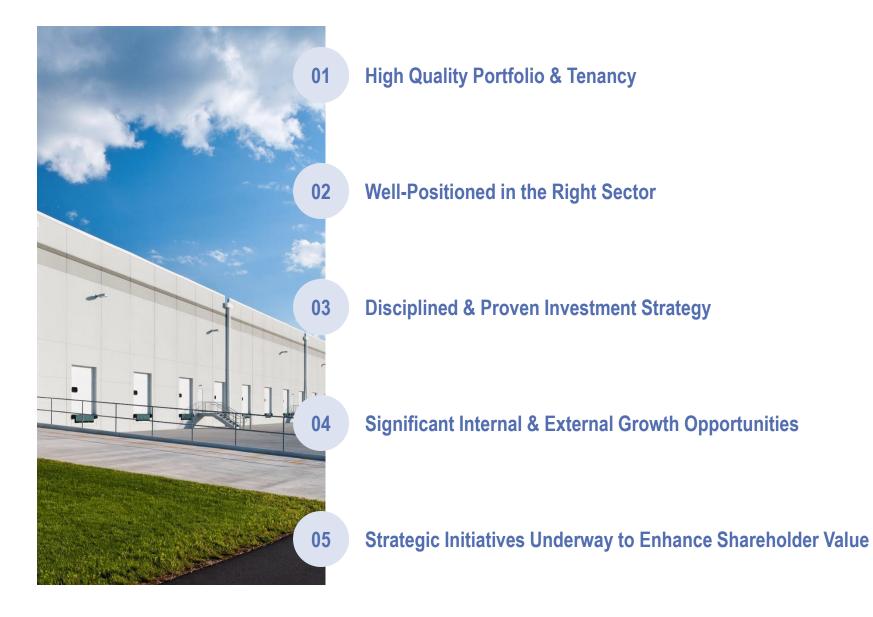
- Raise equity capital but minimize dilution
- Find structure that would provide us access to an initial amount of capital and potential access to additional capital
- Desire to send a strong message that stock is undervalued and the capital raise was from a position of relative strength

#### Outcome

- \$50.00 / share was priced with effectively no discount
- Warrant structure allows Griffin to potentially access another \$30 million at a 20% increase over original issue price (\$60.00 / share)
- Conversant Capital's team is well-known in the real estate investment community and they wanted the option to provide more capital at a higher price down the road – conviction in Griffin's growth story

# **INVESTMENT HIGHLIGHTS RECAP** & CLOSING COMMENTS

### **INVESTMENT HIGHLIGHTS RECAP & CLOSING COMMENTS**





### **COVID-19 UPDATE**

### Griffin's Portfolio Has Performed Well During the Pandemic to Date

### Portfolio Metrics Remain Healthy...

- In-Service, Stabilized Industrial Portfolio is 99.7% leased as of 8/31/20, 100 bps higher than the end of fiscal 2019 (prepandemic levels)
- Strong leasing interest and activity in recently repositioned Orlando asset (acquired <30% leased)

## ...But We Continue to Operate with Caution

 Proactive tenant outreach / ongoing discussions and active asset management

### **Rent Collection, inclusive of Deferrals/Rent Relief**

99.0% or higher of rent has been collected each month during the COVID-19 pandemic since April

### **Rent Relief Update**

- Agreements with two tenants for rent relief aggregating approx. 0.5% of anticipated total annual rental revenue for the 2020 fiscal year
  - Provided rent relief to a subsidiary of a Fortune 500 company as a concession for an early 5-year renewal of approx. 131,000 SF
  - Deferral agreement with one tenant occupying 20,000 SF; tenant is currently meeting its deferral obligations
- In September, an industrial tenant that leases 59,000 square feet in CT requested relief under its lease that expires on December 31<sup>st</sup> of this year
  - The relief was not granted; the tenant remains current on its rent
  - Lease will not be renewed, as Griffin previously entered into an agreement with the adjoining tenant to expand into that space

### **DEBT SUMMARY & LIQUIDITY PROFILE**

#### Debt Summary as of 8/31/2020 (\$000s)

	Capacity	Amount Outstanding	Weighted Average Rate	Weighted Average Maturity <sup>(1)</sup>
Debt				
Mortgages	N/A	\$164,423	4.19%	5/2028
Revolving Credit Facility	\$19,500	\$0	L + 2.50%	9/2021
Acquisition Credit Facility	\$15,000	\$0	L + 2.75%	9/2021
Total	\$34,500	\$164,423		

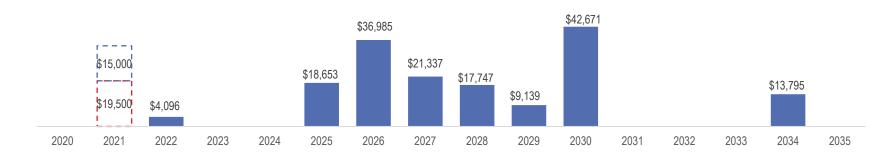
#### Liquidity as of 8/31/2020 (\$000s)

Total Liquidity	\$62,267
Acquisition Facility Capacity	\$15,000
Revolver Capacity	\$19,500
Cash & Cash Equivalents	\$27,767

#### Other Potential Sources of Liquidity

ATM Facility	\$30,000
Office Dispositions Under Agreement <sup>(3)</sup>	\$7,650
Land Sites under Agreement	
for Sale <sup>(3)</sup>	\$12,004

#### Debt Maturity Schedule as of 8/31/2020 (\$000s) <sup>(2)</sup>

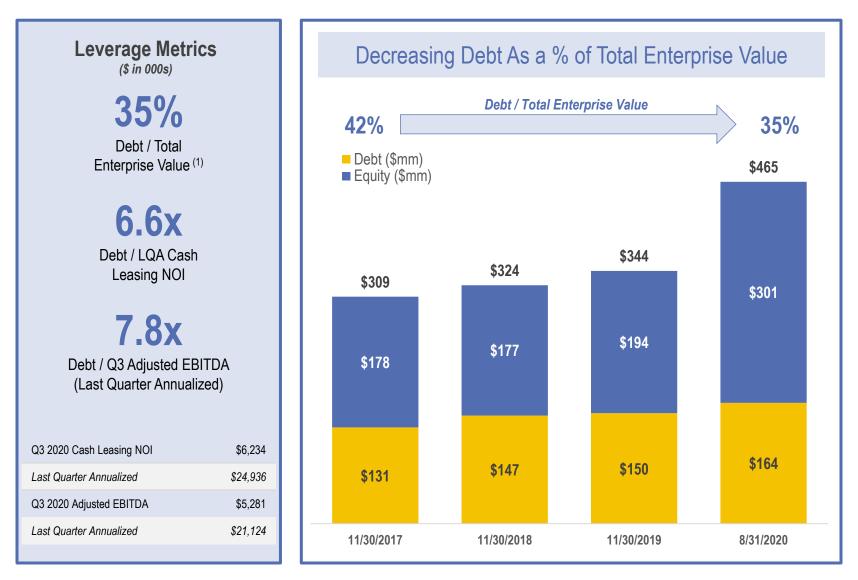


1. Revolver and Acquisition facilities may be extended to September 2022 at Griffin's option.

2. Does not show the impact of mortgage amortization. Based on mortgage and revolving facility balances as of August 31, 2020. Mortgage loan due in 2022 will be repaid with the proceeds from the sale of 5 & 7 Waterside Crossing.

3. Office dispositions reflect agreements to sell 5 & 7 Waterside Crossing and 55 Griffin Road South, which remain subject to satisfactory completion of buyers' due diligence. Land sites include parcels shown on Slide 58. There can be no assurances that the office buildings or land sales for expected proceeds shown will be completed in the near-term, if at all.

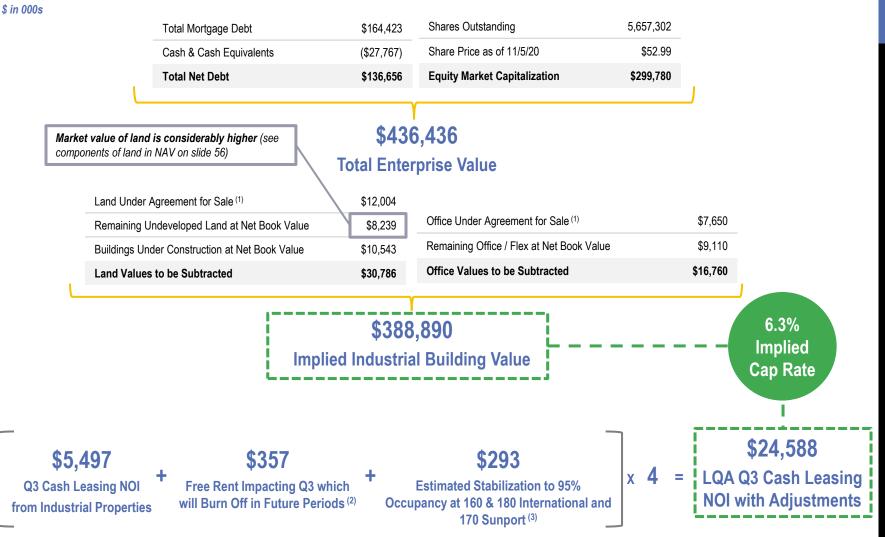
### **LEVERAGE METRICS**



Note: See Appendix for definition of Non-GAAP measures such as Adjusted EBITDA and Cash Leasing NOI. Last Quarter Annualized calculations are Q3 numbers multiplied by four.

1. Based on share price as of November 5, 2020 of \$52.99 per share. Debt amount used in this calculation is not net of cash.

### **GRIFFIN IMPLIED INDUSTRIAL CAP RATE BREAKDOWN**



Note: Data as of 8/31/2020.

1. Dispositions remain subject to satisfactory completion of buyers' due diligence. There can be no assurances that the office buildings or land sales for expected proceeds shown will be completed in the near-term, if at all.

Foregone revenue as a result of rent abatement provisions (free rent) in the respective leases is not included in the LQA Cash Leasing NOI numbers. Free rent includes value of abated base rent at the following properties during the quarter: 20 International Drive (CT), 75 International Drive (CT), 4270 Fritch Drive (PA), 6975 Ambassador Drive (PA) and 160 International Drive (NC).

3. Lease up of remaining vacancy to 95% occupancy at 160 & 180 International Drive in Charlotte and 170 Sunport Lane in Orlando could add an additional \$1.2 million in annualized NOI, assuming market rents of \$5.00 PSF in Charlotte and \$7.25 PSF in Orlando. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed.

# COMPONENTS OF NAV & OTHER ASSETS

### **COMPONENTS OF NET ASSET VALUE**

### Operating Real Estate & Land<sup>(1)</sup>

### Non CRE Assets & Liabilities as of 8/31/20

Industrial Real Estate	LQA Cash Leasing NOI (\$mm)	SF	% Leased
Hartford, CT	\$12.4	2,051,932	100.0%
Lehigh Valley, PA	\$6.9	1,316,540	99.2%
Charlotte, NC	\$1.7	560,466	68.2%
Orlando, FL	\$1.0	276,677	81.7%
Total Industrial	\$22.0	4,205,615	94.3%
Industrial NOI Does not Include:			
Free Rent <sup>(2)</sup>	\$1.4		
Estimated Stabilization Adjustments for Recent Developments & Acquisitions <sup>(3)</sup>	\$1.2		

Assets Under Agreement for Sale	Sale Value (\$mm)	Area	% Leased
Office / Flex (3 buildings) <sup>(4)</sup> Land Sites <sup>(5)</sup>	\$7.7	201,374 SF	41.9%
Land Sites <sup>(5)</sup>	\$12.0	579 acres	
Total Sale Value	\$19.7		
Construction in Progress/Land for Development <sup>(5)</sup>	Net Book Value ("NBV") (\$mm)	Area	% Leased

Chapmans Road (PA) (103,000 SF)	\$3.3	14 acres	n/a
Old Statesville (NC) Developments (520,000 SF)	\$7.2	44 acres	n/a
Total NBV of Land & Construction in Progress	\$10.5	58 acres	

Other Office/Flex & Land <sup>(5)</sup>	NBV (\$mm)	Area	% Leased
Remaining Office/Flex <sup>(4)</sup>	\$9.1	231,596 SF	84.5%
Entitled & Planned Industrial Land (980,000 SF)	\$2.8	131 acres	n/a
Other Developable Industrial Land	\$0.9	73 acres	n/a
Florida Farm Land	\$0.3	1,066 acres	0.0%
CT Farm (tenant has option to purchase for \$9.5M)	\$0.3	676 acres	100.0%
Commercial / Mixed Use Land	\$1.6	370 acres	n/a
Entitled Residential Land (18 residential lots)	\$0.9	17 acres	n/a
All Other Land	\$1.4	481 acres	n/a
Total Remaining Office / Flex & Land	\$17.3		

	(\$mm)
Cash & Cash Equivalents	\$27.8
Deferred Income Taxes	\$5.0
Other Assets	\$23.1
Total Non-CRE Assets	\$55.9
Revolving Credit Facilities	\$0.0
Mortgage Debt	\$164.4
Deferred Revenue	\$11.5
AP & Accrued Liabilities	\$4.1
Other Liabilities (6)	\$24.2
Total Liabilities	\$204.3

#### **Share Count**

Share Count	
Common Shares Outstanding at October 6, 2020	5,657,302

Note: Last Quarter Annualized ("LQA") calculations are Q3 numbers multiplied by four.

1. Data as of 8/31/20.

- Foregone revenue as a result of rent abatement agreements ("free rent") is not included in the LQA Cash Leasing NOI numbers. Free rent includes value of abated base rent at the following properties during the quarter: 20 International Drive (CT), 75 International Drive (CT), 4270 Fritch Drive (PA), 6975 Ambassador Drive (PA), 160 International Drive (NC). Free rent is shown on an annualized basis.
- 3. Lease up of remaining vacancy to 95% occupancy at 160 & 180 International Drive in Charlotte and 170 Sunport Lane in Orlando could add an additional \$1.2 million in annualized NOI, assuming market rents of \$5.00 PSF in Charlotte and \$7.25 PSF in Orlando. Leasing activity for current vacancies at these assumed rents or at all cannot be guaranteed.
- LQA Cash Leasing NOI for Office Properties Under Agreement for Sale is \$0.3 million. LQA Cash Leasing NOI for Remaining Office / Flex is \$1.7 million.
- 5. See slide 58 for additional details on land.
- 6. Includes a \$5.4 million warrant liability and a \$1.3 million contingent value rights liability, both as a result of the August 2020 equity raise. For more information on valuation of these financial instruments, see Note 3 to the Consolidated Financial Statements on Fair Value in Griffin's Q3 Form 10-Q.

### **OTHER ASSETS: OFFICE**

### Summary

		<u> </u>	
	8/31/20 Total Office Properties	Properties Under Agreement for Sale	Remaining Portfolio after Anticipated Sales
Square Footage	432,970	201,374	231,596
# of Buildings	12	3	9
% of Total Industrial & Office Portfolio SF	9.3%	4.1%	5.2%
Net Book Value	\$17.0M	\$7.9M <sup>(1)</sup>	\$9.1M
LQA Leasing NOI	\$2.2M	\$0.3M	\$1.9M
Percent Leased	64.7%	41.9%	84.5%

### Remaining 9 Office/Flex Properties



Note: Portfolio metrics as of August 31, 2020. Weighted average lease term calculated as term remaining as of August 31, 2020. Dispositions under agreement include 5 & 7 Waterside Crossing as well as 55 Griffin Road South, in each case, subject to the completion of due diligence.

### **OTHER ASSETS: LAND**

#### Land Sites Under Agreement for Sale (1)

(\$ in 000s)				NBV of Land &	Estimated Sale or		
Address	Town	State	Acreage	Improvements	Fixed Option Value	Zoning	Notes
Land Sites Under Agreement for Sale							
Meadowood Parcels	Simsbury	СТ	276.5	\$5,437	\$5,419	Residential	Under agreement for land preservation
151 Phoenix Crossing - Lot4	Bloomfield	СТ	14.5	\$49	\$300	Industrial	Parking use; significant unuseable acreage
957 Stone Road	Windsor	СТ	8.3	\$12	\$285	Agricultural	Farmland with storage barns
Windsor / East Granby Parcels	East Granby / Windsor	СТ	280.0	\$550	\$6,000	Agricultural	Under agreement for min. of \$6M for solar project
Subtotal - Land Sites Under Agreement for S	Sale		579.3	\$6,048	\$12,004		

#### Undeveloped Land by Category

	(\$ in 000s)				NBV of Land &	
	Address	Town	State	Acreage	Improvements	Notes
	Entitled & Planned Industrial	TOWIT	Oldie	Acreage	improvementa	
A	4741 Chapmans Road	Allentown	PA	13.8	\$3.341	In Development Pipeline. Being readied for an industrial building (approx. 103,000 SF)
B	Old Statesville / Metromont Parcels	Charlotte	NC	44.2	\$7,202	<b>In Development Pipeline.</b> Being readied for up to 3 industrial buildings (approx. 520,000 SF)
č	110 Tradeport Drive	Windsor	CT	16.5	\$1,238	Entitled for 234K SF industrial building in New England Tradeport ("NETP")
Ď	105 International Drive	Windsor	CT	59.7	\$642	Designed for 248K SF industrial building in NETP (not yet entitled)
Ē	11 Goodwin Drive (Approved Portion - Lot B)	Windsor	CT	26.6	\$634	Entitled for 267K SF industrial building
Ē	755 Marshall Phelps Road	Windsor	CT	28.4	\$283	Entitled for 231K SF industrial cross-docked building
E	Subtotal - Entitled & Planned Industrial	Thirdeon	01	189.2	\$13,341	
					+,	
	Other Developable Industrial					
	1975 Blue Hills Avenue Extension	Windsor	СТ	19.3	\$82	
	1995 Blue Hills Avenue Extension	Windsor	СТ	19.3	\$19	
	11 Goodwin Drive (Lots A & C)	Windsor	СТ	34.9	\$829	
	Subtotal - Other Developable Industrial			73.5	\$930	
	All Remaining Land					
	Quincy Florida Farm	Quincy	FL	1,066.0	\$279	
	Connecticut Nursery Farm	Granby & East Granby	CT	676.3	\$392	Tenant has right to purchase for \$9.5 million under the lease
	Commercial / Mixed Use	Various	CT, MA	370.1	\$1,573	
	Entitled Residential	Suffield & Bloomfield	СТ	16.5	\$884	Entitled for 18 residential housing lots
	Undeveloped Land - General	Various CT & MA	CT, MA	481.2	\$1,384	
	Subtotal - All Remaining Land			2,610.1	\$4,512	
	All Land Acres - CT, FL, MA, PA & NC			3,452.1	\$24,830	

Note: Schedule as of 8/31/20. Excludes land under agreement for purchase in the Lehigh Valley and Orlando.

1. Dispositions remain subject to satisfactory completion of buyers' due diligence. There can be no assurances that land sales for expected proceeds shown will be completed in the near-term, if at all.

### ENTITLED & PLANNED INDUSTRIAL LAND AS OF 8/31/20

В

### Chapmans Road (Lehigh Valley)

Α





#### Old Statesville / Metromont (Charlotte)



### **ENTITLED & PLANNED INDUSTRIAL LAND AS OF 8/31/20**

D

#### 110 Tradeport Drive (Hartford)

С



15 acres in New England Tradeport fully approved for a 234,000 SF industrial/warehouse building



105 International Drive – 59.67 acres in New England Tradeport with site plan for a 248,000 SF industrial/warehouse building

### **ENTITLED & PLANNED INDUSTRIAL LAND AS OF 8/31/20**

F

#### 11 Goodwin Drive Lot B (Hartford)

Ε



- 11 Goodwin Drive is comprised of several parcels totaling +/- 62 acres with industrial zoning and a potential developmental capacity of 500,000 – 600,000 SF
- A 26.6-acre portion of the site is fully approved for a 267,000 SF industrial/warehouse facility

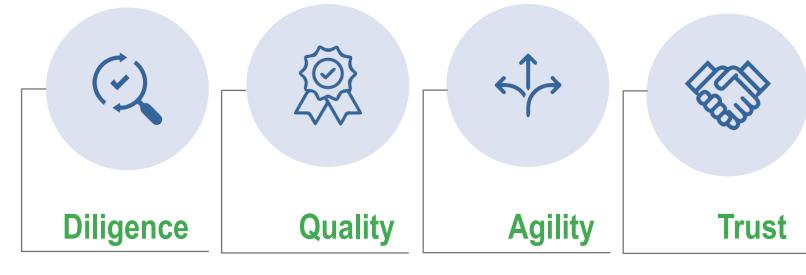
#### 755 Marshall Phelps Road (Hartford)



- 28.4 acres located off I-91 at Exit 38 (Day Hill Road) with industrial zoning
- Fully approved for a 231,000 SF "double loaded" industrial/warehouse facility

# **CORE VALUES & ESG**

### **GRIFFIN'S CORE VALUES**



We are driven by a focused strategy and guided by established criteria for success that creates value for employees, tenants, business partners and investors. We believe in creating modern, flexible and best-in-class properties that meet our tenants' needs. We carefully consider location, size, sustainability and market-appropriate building features. Our high standards of excellence power our growth and success. We believe that responsiveness and adaptability are critical in driving value. We are constantly seeking ways to innovate and improve efficiency and productivity. We rely on our relationships to support our vision and growth. We approach our business with unwavering integrity; we believe in the importance of collaboration and remaining true to our word.

### **ESG: COMMITMENT TO DOING THE RIGHT THING**

### For Our Tenants & For Our Community



#### 98%

Of Industrial SF is Covered by LED or T-5 / T-8 Energy Efficient Lighting



#### 100%

Of Industrial SF Built Since 2012 Features Clerestory Windows



#### 100%

White Reflective Roof Decks in North Carolina and Florida Properties <sup>(1)</sup>



### **Embracing Solar**

Griffin has sold 280 acres for the purpose of being converted to solar farms with another 280 acres under agreement for solar use  $^{(2)}$ 



### Land Preservation

Hundreds of acres of owned land have been sold or donated for open space or preservation uses in Connecticut

### Water

#### Conservation

Where possible, Griffin's buildings utilize low-flow plumbing fixtures as well as sensor flushes and sinks

### Waste Reduction

Griffin has implemented a singlestream recycling program for all tenants and staff

# Community Events & Sponsorships

Griffin has sponsored the Windsor, CT Bike MS ride to support the National Multiple Sclerosis Society since 1990, the Special Olympics Winter Games since 2016 and the New England Donor Services' Blue & Green Fun Run (5K) fundraiser for tissue and organ donation since 2015



Protecting the environment & supporting the communities in which we live and work are paramount to Griffin and its employees

- 1. Dark roofs reduce heating costs in cold weather climates and are preferable in warehouse locations without air-conditioning.
- 2. Dispositions remain subject to satisfactory completion of buyers' due diligence. There can be no assurances that the sale of land under agreement for solar use shown will be completed in the near-term, if at all.

### **ESG: OUR CULTURE & GOVERNANCE**

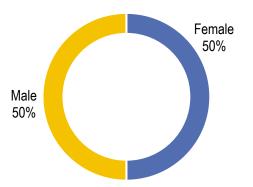
### Culture

Griffin is recognized for a culture that is based on **unwavering** integrity, an entrepreneurial spirit, and collaboration. We rely on our relationships to support our vision and growth, and we believe in the importance of remaining true to our word.



### **Gender Diversity**

**Corporate Headcount** 



### Employee Tenure

14 years

Average tenure of our workforce

We believe our culture supports our employees and creates a positive environment that encourages team members to build long-term career paths at Griffin.

### Governance

Our **Code of Business Conduct** and Ethics reflects our commitment to the highest standards of integrity, transparency and accountability. The Code offers an **Ethics Hotline** in addition to a moral framework for our operations and business decisions, applicable to our directors, officers and employees.

50%

Diversity of

Independent

Directors

#### **Shareholder Rights**

- Majority vote standard for M&A, charter amendments and bylaw amendments
- ✓ Right to act by written consent
- ✓ No poison pill
- ✓ Not a controlled company
- $\checkmark\,$  No classified board
- ✓ No employment contracts

#### Board Committee Composition

- ✓ 100% Independent Audit Committee
- ✓ 100% Independent Nominating Committee
- ✓ 100% Independent Compensation Committee



# **DETAILED MARKET OVERVIEWS**

# HARTFORD, CT

### **GRIFFIN'S HARTFORD INDUSTRIAL PORTFOLIO**

#### New England Tradeport Map





#### **Representative Hartford Tenancy**



220 Tradeport Drive 7

75 International Drive

100 International Drive



#### Hartford Portfolio Statistics

**2.1M** Square feet

5.3

Years of Weighted

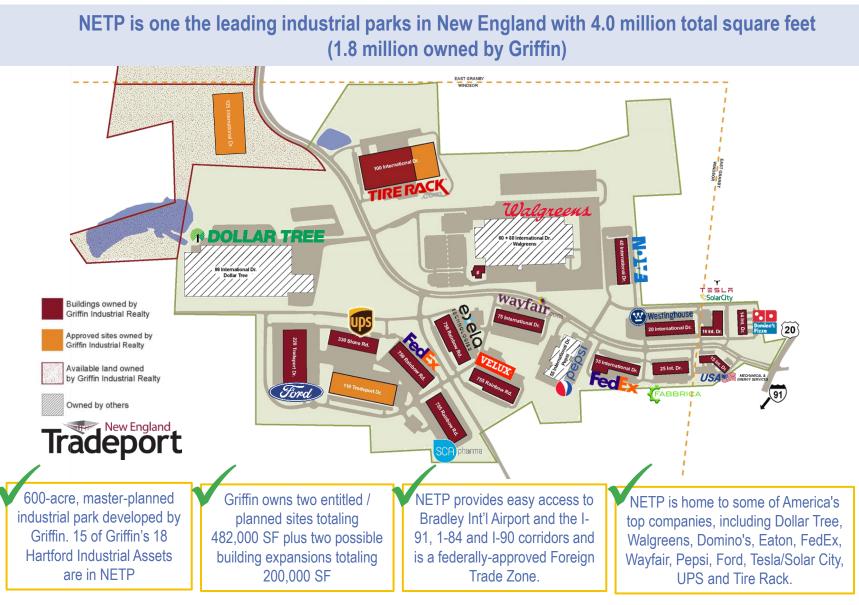
Avg. Lease Term

**114K** Avg. building size

\$5.97 ABR per leased SF

Map Source: Google Earth. Note: Portfolio data as of August 31, 2020.

### **GRIFFIN'S NEW ENGLAND TRADEPORT ("NETP")**



### HARTFORD: GATEWAY TO NEW ENGLAND

#### **Market Drivers**

- Gateway to New England and equidistant to Boston, New York City and Connecticut's "Gold Coast"
- 30% of the U.S. population is reachable within a one day drive (one way)
- Densely populated region with significant consumer spending power and historic industrial and corporate base
- High barriers to entry with limited, well-located industrial-zoned land and difficult entitlement process

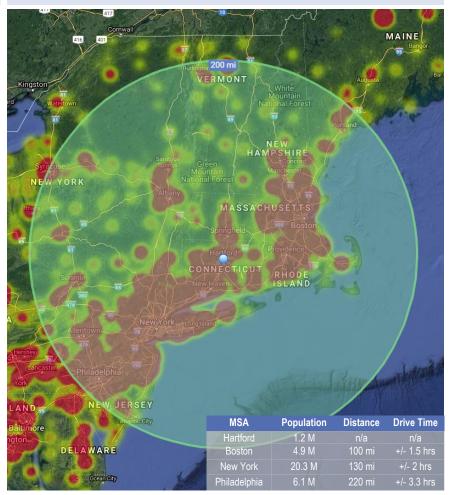
#### **Industrial Fundamentals**

- Total market size of 76 million SF, with nearly 10 million SF added over the last 8 years and average asking rents growing 19% over the same period
- A CBRE U.S. Logistics Webinar from August 2020 classified Hartford as the 6th fastest growing secondary logistics market in the U.S. based on YTD absorption divided by inventory, ahead of markets such as Salt Lake City, Memphis, & Nashville
- Supply-constrained with solid industrial dynamics
  - Positive trends in leasing, occupancy and employment rate
  - Over the trailing 5 calendar years, recorded 3.3 million SF of positive net absorption, compared to 2.8 million SF of completions
- Well-located for local & regional distribution with major users like Amazon, DollarTree, Walgreens, Home Depot, Ford, FedEx, UPS, Trader Joe's, Wayfair and Domino's
- Institutional ownership base includes:



Map Source: Maptive software using US Census Subcounty Resident Population Estimates data sets for 2019. Data Source: CBRE National Partners materials and CBRE Research: Hartford Industrial Marketview (Q3 2020).

#### 200 Mile Radius from Hartford, CT<sup>(1)</sup>



## I-91 CORRIDOR: NEW ENGLAND'S PRIMARY LOGISTICS HUB



## Logistics market leaders including Amazon, FedEx and UPS all operate major hubs along CT's I-91 Corridor

## LEHIGH VALLEY, PA

## **GRIFFIN'S LEHIGH VALLEY INDUSTRIAL PORTFOLIO**



### Lehigh Valley Property Map

### Representative Lehigh Valley Tenancy



### Lehigh Valley Building Photos



### Lehigh Valley Portfolio Statistics

**1.3M** Square feet 219K 306K Avg. building size

**3.6** 

Years of Weighted Avg. Lease Term SF development pipeline \$5.98

ABR per leased SF

Map Source: Maptive. Note: Portfolio data as of August 31, 2020.

## **GRIFFIN VS. PEERS IN THE LEHIGH VALLEY**

### Griffin vs. Peer Lehigh Valley Portfolios

Industrial REIT Comps <sup>(1)</sup>	<b>GRIFFIN</b> INDUSTRIAL REALTY	PROLOGIS	<b>Důke</b> REALTY	STAG	FIRST INDUSTRIAL REALTY-TRUST
# of Buildings	6	42	6	1	5
SF (000s)	1,317	21,894	4,312	290	1,193
% of Portfolio	31.3%	4.1% <sup>(3)</sup>	2.7%	0.3%	1.9%
Avg. Age (years)	6	13	4	22	27
Occupancy	99.2%	91.3% <sup>(2)</sup>	83.7% <sup>(2)</sup>	100.0%	94.5% <sup>(2)</sup>

Source: Public company filings, SNL.

1. Data reflects Lehigh Valley industrial portfolio defined by the Allentown – Easton MSA and "Industrial", "Warehouse / Distribution Center", "Industrial Park" assets. Not inclusive of "Land", "Flex / Service Center", "Manufacturing".

2. Occupancy data from most recent financials for their "Lehigh Valley" / "Central / Eastern PA" portfolios, inclusive of properties outside of defined Allentown - Easton MSA.

3. % of PLD's U.S. Portfolio.

### LEHIGH VALLEY: TOP TIER INDUSTRIAL MARKET WITH INDUSTRY-LEADING GROWTH

### **Market Drivers**

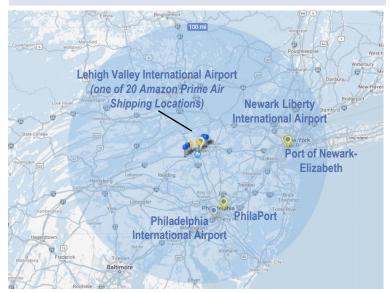
- Key distribution hub for New York Metro, Northeast and Middle Atlantic due to multidirectional interstate connectivity
  - Located within a two-hour drive of major cities such as Baltimore, Washington D.C., Philadelphia and New York City
- Large population to serve:
  - Access to 48% of the US population and 60% of the Canadian population within a one-day truck drive (one way)
  - 30.8 million people within a 100-mile radius accounting for \$1 trillion in annual expenditures
- More affordable labor base than competing Central New Jersey locations

### **Industrial Fundamentals**

- 133 million square foot market<sup>(1)</sup> including Berks, Lehigh and Northampton Counties
- Ranked 4<sup>th</sup> U.S. Industrial & Logistics market in Net Absorption YTD with 10.5 million SF
- Significant barriers to entry and supply constrained
  - Scarcity of well-located development sites with unfettered access to major industrial interchanges and logistics infrastructure
  - Protracted zoning, approval, and entitlement processes can span two years or longer
- Key location for major national retailers, consumer product companies, ecommerce, and 3PL firms and home to FedEx's largest ground hub in the nation)
- U.S. Institutional ownership base includes:



### Primary Inland Hub for NY-Metro Area



### Significant Rent Growth Driven by Barriers to Entry and Strong Demand

Top 5 Markets In 5-Year Rent Growth Through 2019								
Rank	Major US Industrial Markets	Rent Growth						
1	New Jersey	63.1%						
2	Lehigh Valley	39.2%						
3	Seattle	33.3%						
4	Los Angeles	27.5%						
5	Inland Empire	25.0%						

### Map Source: Maptive.

Data Source: CBRE National Partners materials and CBRE Research: Pennsylvania I-78/I-81 Corridor Industrial (Q3 2020) and U.S Industrial & Logistics Figures (Q3 2020).

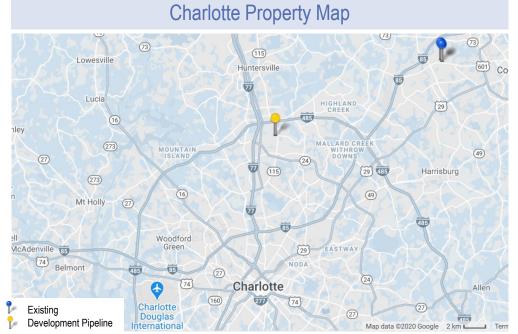
1. Based on properties over 40,000 SF as per CBRE Q3 2020 Industrial MarketView report.

## CHARLOTTE, NC

## **GRIFFIN'S CHARLOTTE INDUSTRIAL PORTFOLIO**

BROOKS E Q U I P M E N T

**(**superfici



**Charlotte Tenancy** 

### **Charlotte Building Photos**





### **Charlotte Portfolio Statistics**

**0.6M** 

Square feet

520K <sup>A</sup>

**187K** Avg. building size

3.1 SF

Years of Weighted Avg. Lease Term

SF development pipeline **\$5.01** 

ABR per leased SF

Map Source: Maptive. Note: Portfolio data as of August 31, 2020.

GEODIS

.ogistix



### **CHARLOTTE: GROWING POPULATION + ROBUST TRANSPORT INFRASTRUCTURE**

### **Market Drivers**

- The third-fastest growing major city in the country with 50.8% cumulative population growth since 2000
  - Charlotte is the 15th most populous city in the U.S.
- Significant and growing corporate base: major financial center with increased relocation of major corporations (home to 8 Fortune 500 corporations)
- Low unionization rate making the region appealing to employers with manufacturing, distribution and logistics needs

### **Industrial Fundamentals**

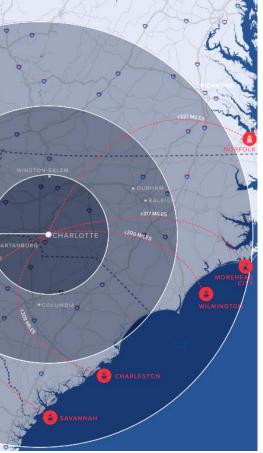
- Industrial inventory is comprised of 225 million square feet and has seen 9.8% rent growth since Q1 2018
- Industrial demand to serve local / last-mile population, regional needs and multi-market / national distribution
- Over the past 24 months, the market has posted more than 8.7 million square feet of **positive net absorption**
  - Positive net absorption over an impressive 35 of the last 38 quarters
- Institutional ownership includes:



Data & Map Source: JLL materials and CBRE Research: Charlotte Industrial Marketview (Q2 2020).

### Transport & Market Access

Charlotte has emerged as a major East Coast logistics hub due to its centralized location along the Eastern seaboard and the presence of the country's 6th busiest airport



### Roads & Highways

- I-85 connects south to Atlanta and north to Greensboro, Raleigh, Richmond and DC
- I-77 connects north to Cleveland and south with I-26 in Columbia.
- Just south of I-40, one of the US's longest interstates that runs east-to-west from NC to CA

### **CLT Airport**

- 6th busiest airport in North America and 12th busiest for passenger traffic
- Major passenger & freight hub

### **Rail Access**

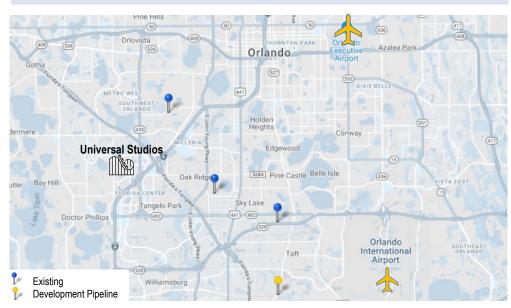
- Charlotte Intermodal Terminal at CLT creates a hub between air, rail and truck to all major ports on the eastern seaboard
- Norfolk Southern Railway and CSX bring more than 300 trains through Charlotte weekly

### Ports

- 3 hours from the Port of Charleston (direct access by rail) & 4 hours from the Port of Savannah
- 4 hours from NC's two largest ports in Wilmington & Morehead City

## **ORLANDO, FL**

## **GRIFFIN'S ORLANDO INDUSTRIAL PORTFOLIO**



### **Orlando Property Map**

### **Orlando Building Photos**



# 170 Sunport Lane

### **Orlando Tenancy**





TAG The Arnold Group



### **Orlando Portfolio Statistics**

**195K** 

pipeline

0.3M

Square feet

5.1 Years of

Weighted Avg. Lease Term

**92K** 

Avg. building size

SF development \$5.09

ABR per leased SF

Map Source: Maptive. Note: Portfolio data as of August 31, 2020.

### **ORLANDO: BURGEONING POPULATION IN CENTER OF THE STATE**

### **Market Drivers**

- Centrally located in the nation's third most populous state
  - Florida has a population over 21.6 million people and is projected to add an additional 6.0 million residents in the next decade
- The Orlando MSA is home to a population of nearly 2.7 million people and is the second fastest growing region in the state with an additional 1,500 new residents moving to Central FL each week
- Key location for FL-centric distribution model: "to Florida, from Florida"
  - Orlando is at the eastern end of the I-4 Corridor, FL's primary east/west artery connecting population centers of Tampa and Orlando
  - Direct access to I-75, I-95 and the FL Turnpike making Central FL a critical logistics hub for FL and the South
- Traditional strength in tourism and hospitality and increasing corporate relocations due to favorable tax environment and quality of life

### **Industrial Fundamentals**

- 122M square foot industrial market with a market vacancy of 7.9%
- Rental rates have climbed steadily over the last five years, averaging 6.8% of growth annually from 2013 - 2019
- Lack of industrial land available near the transportation corridors
- In the past five years, absorption has outpaced new construction nearly 2:1, as 15.3M square feet of demand exceed deliveries of 8.5M square feet
- Institutional ownership base includes:



Data & Map Source: CBRE National Partners materials and CBRE Research: Orlando Industrial MarketView (Q3 2020).



**Transport & Market Access** 

### **Port Canaveral**

- 45 miles east of Orlando; 2nd busiest cruise port in the world
- Handled 6.0 million tons of cargo through its recently widened channel and six additional Neo-Panamax cranes in 2020 increased capacity

### Roads & Highways

- I-4 and the Florida Turnpike are two of the state's most critical thoroughfares
- I-4 is Orlando's primary east-west interstate highway, connecting I-75 in Tampa to I-95 in Daytona
- Florida Turnpike is a northsouth artery connecting I-75 NW of Orlando to I-95 in Miami Gardens
- Wekiva Parkway: \$1.7B project to complete a beltway around the metro

### **MCO Airport**

- Busiest airport in FL and 10th busiest in the U.S.
- One of the few airports in the world that can accommodate the new generation, Class 6 aircraft (more cargo opportunities)
- \$2.8 billion expansion to add South Terminal

### **Rail Access**

 Two major CSX rail yards, two TDSI auto distribution terminals, a bulk transfer terminal and an intermodal terminal

## **PROPERTY SCHEDULES**

## **INDUSTRIAL PROPERTY SCHEDULE AS OF 8/31/20**

Building	1						Annualized	Wtd. Avg.	Year
Count	Address	Town	State	Building SF	Leased SF	% Leased	Base Rent	Lease Term	Built
1	1985 Blue Hills Avenue	Windsor	СТ	405 000	405 000	100.0%		3.6	2001
•				165,000	165,000	100.0%		3.0	
2	210 West Newberry Road	Bloomfield	CT	18,432	18,432	100.0%		-	1988
3	14 International Drive	E. Granby	CT	40,060	40,060	100.0%		11.6	1982
4	15 International Drive	E. Granby	CT	41,632	41,632	100.0%		3.4	1978
5	16 International Drive	E. Granby	CT	58,370	58,370	100.0%		2.7	1980
6	20 International Drive	Windsor	CT	99,840	99,840	100.0%		6.6	1999
7	25 International Drive	Windsor	CT	57,190	57,190	100.0%		1.3	2001
8	35 International Drive	Windsor	CT	97,605	97,605	100.0%		5.4	1998
9	75 International Drive	Windsor	CT	117,000	117,000	100.0%		6.0	2003
10	758 Rainbow Road	Windsor	CT	138,395	138,395	100.0%		4.7	2005
11	754 Rainbow Road	Windsor	CT	136,867	136,867	100.0%		3.6	2006
12	759 Rainbow Road	Windsor	CT	126,852	126,852	100.0%		1.5	2007
13	755 Rainbow Road	Windsor	CT	148,484	148,484	100.0%		7.3	2007
14	131 Phoenix Crossing	Bloomfield	CT	31,239	31,239	100.0%		5.8	1997
15	40 International Drive	Windsor	CT	99,840	99,840	100.0%		2.6	2008
16	100 International Drive	Windsor	CT	304,200	304,200	100.0%		4.9	2009
17	330 Stone Road	Windsor	CT	136,926	136,926	100.0%		3.9	2017
18	220 Tradeport Drive	Windsor	CT	234,000	234,000	100.0%	A40.054.000	10.6	2018
	Subtotal - Hartford, CT Industrial			2,051,932	2,051,932	100.0%	\$12,251,882	5.3	2005
	Annualized Base Rent / Leased SF						\$5.97 PSF		
19	871 Nestle Way	Breinigsville	PA	119,900	119,900	100.0%		5.3	2006
20	4275 Fritch Drive	Lower Nazareth	PA	228,000	228,000	100.0%		1.1	2012
21	4270 Fritch Drive	Lower Nazareth	PA	302,640	302,640	100.0%		5.8	2014
22	5220 Jaindl Boulevard	Bethlehem	PA	280,000	280,000	100.0%		1.0	2015
23	5210 Jaindl Boulevard	Bethlehem	PA	252,000	252,000	100.0%		4.2	2016
24	6975 Ambassador Drive	Allentown	PA	134,000	123,545	92.2%		5.8	2018
	Subtotal - Lehigh Valley, PA Industrial			1,316,540	1,306,085	99.2%	\$7,806,943	3.6	2014
	Annualized Base Rent / Leased SF			31.3%			\$5.98 PSF		
25	215 International Drive NW	Concord	NC	277,253	277,253	100.0%		2.2	2015
25 26	160 International Drive	Concord	NC	147,213	105.070	71.4%		5.5	2015
20 27	180 International Drive	Concord	NC	136,000	105,070	0.0%		0.0	2019
21	Subtotal - Charlotte, NC Industrial	Concora	NC	560,466	382,323	<u>68.2%</u>	\$1,917,038	3.1	2019 2017
	Annualized Base Rent / Leased SF			300,400	302,323	00.270	\$1,917,030 \$5.01 PSF	3.1	2017
	Annuanzeu Dase Rent / Leaseu SF						90.01 FSF		
28	7466 Chancellor Drive	Orlando	FL	100,045	100,045	100.0%		4.4	1973
29	170 Sunport Lane	Orlando	FL	68,320	17,685	25.9%		0.9	1997
30	3320 Maggie Boulevard	Orlando	FL	108,312	108,312	100.0%		6.4	1985
	Subtotal - Orlando, FL Industrial			276,677	226,042	81.7%	\$1,150,860	5.1	1984
	Annualized Base Rent / Leased SF						\$5.09 PSF		
30	Total In-Service Industrial Portfolio			4,205,615	3,966,382	94.3%	\$23,126,721	4.5	2008
- 30				3,854,082	3,843,627	99.7%	φ <b>23, 120, 12</b> Ι	4.0	2000
	Stabilized In-Service Industrial Portfolio <sup>(1)</sup>			3,834,082	3,843,027	99.1%			

1. Excludes 160 International Drive, 180 International Drive and 170 Sunport Lane.

## **OFFICE / FLEX PROPERTY SCHEDULE AS OF 8/31/20**

Building							Annualized	Wtd. Avg.	Year
Count	Address	Town	State	Building SF	Leased SF	% Leased	Base Rent	Lease Term	Built
1	1936 Blue Hills Avenue	Windsor	СТ	7,199	7,199	100.0%		2.8	1983
2	5 Waterside Crossing	Windsor	CT	80,524	44,254	55.0%		3.6	1982
3	7 Waterside Crossing	Windsor	CT	80,520	40,165	49.9%		4.8	1987
4	29-35 Griffin Road South	Bloomfield	СТ	57,500	46,287	80.5%		3.8	1977
5	55 Griffin Road South	Bloomfield	CT	40,330	-	0.0%			1985
6	204 West Newberry Road	Bloomfield	СТ	22,331	6,690	30.0%		-	1988
7	206 West Newberry Road	Bloomfield	CT	22,826	22,826	100.0%		7.6	1989
8	310 West Newberry Road	Bloomfield	CT	11,361	11,361	100.0%		4.8	1990
9	320 West Newberry Road	Bloomfield	CT	11,137	11,137	100.0%		0.7	1991
10	330 West Newberry Road	Bloomfield	CT	11,932	11,932	100.0%		1.0	1991
11	340 West Newberry Road	Bloomfield	CT	38,964	29,872	76.7%		3.6	2001
12	21 Griffin Road North	Windsor	CT	48,346	48,346	100.0%		2.9	2002
12	Total Office / Flex			432,970	280,069	64.7%	\$3,863,691	3.8	1988

### **PORTFOLIO METRICS**

### Annualized Base Rent ("ABR")

Represents monthly in-place base rent for each individual lease as of August 31, 2020, annualized. Excludes any impact of free rent. For leases which are currently in rent abatement periods, annualized base rent will show the annualized rent for the month of the commencement of rent payments.

### **In-Service Properties**

All current properties / buildings owned by Griffin, including those which have been acquired or developed. In-Service Properties do not include those which are currently under development.

#### **Stabilized In-Service Properties**

In-Service properties / buildings are considered "Stabilized" if they have either (a) reached 90.0% leased or (b) have exceeded 12 months since their development completion or acquisition date, whichever is earlier.

### **Unstabilized In-Service Properties**

In-Service properties / buildings are considered "Unstabilized" if they are either (a) less than 90.0% leased or (b) have not been owned or completed (in the case of developments) for the entire prior 12-month period.

#### **Percentage Leased**

Represents percentage of square footage of executed leases, regardless of whether or not the leases have commenced.

### Leasing NOI

Griffin defines Leasing NOI as rental revenue (calculated in accordance with GAAP) less operating expenses of rental properties.

#### **Cash Leasing NOI**

Griffin defines Cash Leasing NOI as Leasing NOI less non-cash components of rental revenue, including straight-line rent adjustments.

### Non-GAAP Reconciliation of Net (Loss) Income to Leasing NOI and Cash Leasing NOI, and Industrial Portfolio Component of Cash Leasing NOI

(\$ in 000s)	For the 3 Months Ended		For the 9 Months Ended		For the FY Ended				
	8/31/2020	8/31/2019	8/31/2020	8/31/2019	11/30/2019	11/30/2018	11/30/2017	11/30/2016	11/30/2015
Net (Loss) Income	(\$641)	\$1,017	(\$1,654)	\$6,250	\$3,668	(\$1,653)	\$4,627	\$576	\$425
Income Tax (Benefit) Provision	(\$291)	(\$814)	(\$562)	\$689	(\$213)	\$505	\$2,673	\$735	\$380
Investment Income	(\$3)	(\$61)	(\$31)	(\$242)	(\$264)	(\$151)	(\$93)	(\$107)	(\$161)
Interest Expense	\$1,776	\$1,508	\$5,467	\$4,776	\$6,408	\$6,270	\$5,690	\$4,545	\$3,670
Change in Fair Value of Financial Instruments	\$414	_	\$414	_	_	_	_	_	_
Gain on Insurance Recovery	_	_	_	(\$126)	(\$126)	_	_	_	_
Gain on Sale of Common Stock of Centaur Media plc & Other					_	_	(\$275)	(\$122)	_
Impairment Loss	_	_	_	_	\$3,100	_	_	_	_
Costs Related to Property Sales	\$129	\$176	\$314	\$1,999	\$1,999	\$144	\$3,780	\$810	\$634
Depreciation and Amortization Expense	\$3,594	\$2,925	\$10,188	\$8,806	\$11,801	\$11,404	\$10,064	\$8,797	\$7,668
General and Administrative Expenses	\$2,290	\$1,668	\$6,785	\$5,567	\$7,677	\$7,749	\$8,552	\$7,367	\$7,057
Revenue from Property Sales	(\$288)	(\$302)	(\$1,139)	(\$9,828)	(\$9,828)	(\$1,023)	(\$13,945)	(\$4,364)	(\$3,483)
Leasing NOI	\$6,980	\$6,117	\$19,782	\$17,891	\$24,222	\$23,245	\$21,073	\$18,237	\$16,190
Non-cash Rental Revenue Including Straight-line Rents	(\$746)	(\$321)	(\$1,798)	(\$1,329)	(\$1,567)	(\$1,669)	(\$2,097)	(\$1,596)	(\$2,112)
Cash Leasing NOI	\$6,234	\$5,796	\$17,984	\$16,562	\$22,655	\$21,576	\$18,976	\$16,641	\$14,078
Industrial Component	\$5,497	\$5,029	\$16,015	\$14,451	\$19,729	\$18,347	\$15,846	\$12,623	\$9,787
Office & Land Lease Component	\$737	\$767	\$1,969	\$2,111	\$2,926	\$3,229	\$3,130	\$4,018	\$4,291

### SAME PROPERTY PORTFOLIO METRICS

### Same Property Portfolio

Griffin considers properties to be included in the Same Property Portfolio if they were owned and part of the Stabilized In-Service portfolio during the entire current and prior year reporting periods. Properties developed or acquired are excluded until held in the Stabilized In-Service portfolio for both the current and prior year reporting periods. Properties sold during the current or prior year reporting periods are excluded.

- The Same Property Portfolio for the Trailing Twelve Months ending August 31, 2020 includes properties which were included in the Stabilized In-Service portfolio for the entire period from September 1, 2018 through August 31, 2020.
- The Same Property Portfolio for the Nine Months ending August 31, 2020 includes properties which were included in the Stabilized In-Service portfolio for the entire period from December 1, 2018 through August 31, 2020.
- The Same Property Portfolio for the Quarter ending August 31, 2020 includes properties which were included in the Stabilized In-Service portfolio for the entire period from June 1, 2019 through August 31, 2020.

### Same Property Leasing NOI ("SPNOI") - Cash Basis

Griffin defines SPNOI - Cash Basis as Cash Leasing NOI only for properties included in the Same Property Portfolio pool for the reporting period.

### Non-GAAP Reconciliation of Net (Loss) Income to SPNOI - Cash Basis

(\$ in 000s)	For the Three Mont	hs Ended	For the Nine Montl	hs Ended	For the Trailing Twelve Months Ended		
	8/31/2020	8/31/2019	8/31/2020	8/31/2019	8/31/2020	8/31/2019	
Net (Loss) Income	(\$641)	\$1,017	(\$1,654)	\$6,250	(\$4,236)	\$6,111	
Income Tax (Benefit) Provision	(\$291)	(\$814)	(\$562)	\$689	(\$1,464)	\$461	
Investment Income	(\$3)	(\$61)	(\$31)	(\$242)	(\$53)	(\$318)	
Interest Expense	\$1,776	\$1,508	\$5,467	\$4,776	\$7,099	\$6,480	
Change in Fair Value of Financial Instruments	\$414	—	\$414	—	\$414	—	
Gain on Insurance Recovery	_	—	—	(\$126)	_	(\$126)	
Impairment Loss					\$3,100	_	
Costs Related to Property Sales	\$129	\$176	\$314	\$1,999	\$314	\$1,999	
Depreciation and Amortization Expense	\$3,594	\$2,925	\$10,188	\$8,806	\$13,183	\$11,760	
General and Administrative Expenses	\$2,290	\$1,668	\$6,785	\$5,567	\$8,895	\$7,501	
Revenue from Property Sales	(\$288)	(\$302)	(\$1,139)	(\$9,828)	(\$1,139)	(\$9,828)	
Leasing NOI	\$6,980	\$6,117	\$19,782	\$17,891	\$26,113	\$24,040	
Non-cash Rental Revenue Including Straight-line Rents	(\$746)	(\$321)	(\$1,798)	(\$1,329)	(\$2,046)	(\$1,973)	
Cash Leasing NOI	\$6,234	\$5,796	\$17,984	\$16,562	\$24,067	\$22,067	
Cash Leasing NOI from Acquistions & Developments During the Same Property Period	(\$408)	\$56	(\$681)	\$186	(\$723)	\$204	
Cash Leasing NOI from Property Dispositions During the Same Property Period	_	_	_	_	_	_	
Same Property Leasing NOI ("SPNOI") - Cash Basis	\$5,826	\$5,852	\$17,303	\$16,748	\$23,344	\$22,271	
Same Property Cash Leasing NOI from Office Properties	(\$495)	(\$556)	(\$1,256)	(\$1,543)	(\$1,797)	(\$2,092)	
Same Property Cash Leasing NOI from Land	(\$246)	(\$211)	(\$713)	(\$567)	(\$992)	(\$795)	
Industrial Same Property Leasing NOI ("SPNOI") - Cash Basis	\$5,085	\$5,085	\$15,333	\$14,638	\$20,554	\$19,384	
Industrial SPNOI - Cash Basis Year over Year Growth	0.0%		4.8%		6.0%		

### **ADJUSTED EBITDA METRICS**

### Adjusted Earnings Before Interest Taxes Depreciation and Amortization for Real Estate ("Adjusted EBITDA")

Griffin defines Adjusted EBITDA as: GAAP Net Income plus (a) interest expense, (b) income tax expense, (c) depreciation and amortization, plus or minus (d) losses and gains on the disposition of property, including losses/gains on change of control, plus (e) impairment write-downs of depreciated property, (f) G&A related to REIT Conversion and Related Expenses, (g) non-cash compensation expenses in G&A, which include stock-based compensation and expenses or credits related to the performance of the non-qualified savings plan, (h) change in fair value of financial instruments, and (i) gains or losses on the extinguishment of debt or derivative instruments.

#### Non-GAAP Reconciliation of Net (Loss) Income to Adjusted EBITDA

(\$ in 000s)	For the Three Months Ended			For the Nine Months Ended		
	8/31/2020	8/31/2019	8/31/2020	8/31/2019		
Net (Loss) Income	(\$641)	\$1,017	(\$1,654)	\$6,250		
Interest Expense	\$1,776	\$1,508	\$5,467	\$4,776		
Depreciation and Amortization	\$3,594	\$2,925	\$10,188	\$8,806		
Gains on Sales of Properties & Land	(\$159)	(\$126)	(\$825)	(\$7,829)		
Income Tax (Benefit) Provision	(\$291)	(\$814)	(\$562)	\$689		
G&A Expenses Related to REIT Conversion Costs and Strategic Growth Initiatives	\$107	_	\$751	_		
Non-Cash Compensation Expenses in G&A	\$481	\$155	\$597	\$385		
Change in Fair Value of Financial Instruments	\$414	_	\$414	_		
Adjusted EBITDA	\$5,281	\$4,665	\$14,376	\$13,077		
Growth over prior year period	13.2%	_	9.9%	_		

### LEASING ACTIVITY METRICS

Note: All leasing activity calculations exclude leases with terms less than 12 months and leases for first generation space on properties acquired or developed by Griffin.

### Annualized Rent (Cash Basis)

Griffin defines this as the first monthly cash base rent payment due under the new lease x 12 or the last monthly cash base rent payment due under the prior lease x 12.

#### Annualized Rent (Straight Line Basis)

Griffin defines this as the average annual base rental payments on a straight-line basis for the term of the lease including free rent periods.

### Weighted Average Rent Growth

Griffin defines this as the % change of annualized rental rates between the previous leases and the current leases.

### **Tenant Retention**

Griffin calculates Tenant Retention as: (Total industrial leases renewed or extended) ÷ (Total industrial leases renewed or extended + Total industrial leases that expired and were not renewed) during the period shown.

### **DEVELOPMENT METRICS**

### **Total Costs**

Includes land, land improvements, building & building improvements as well as tenant improvements paid to date.

### **In-Place Cash Yield**

Calculated as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), divided by Total Costs for the same selected properties.

### Anticipated Stabilized Cash Leasing NOI from Completed Developments

Defined as Q3 2020 Cash Leasing NOI for selected properties on an annualized basis (multiplied by four), and includes additional adjustments to gross up for the value of abated rent during the quarter at 160 International Drive (Charlotte), as well as anticipated lease up of remaining vacancy to 95% leased at 160 International Drive (Charlotte) and 180 International Drive (Charlotte) at assumed market rents of \$5.00 PSF NNN. Cumulatively, these adjustments add an additional \$1.1 million in annualized Cash Leasing NOI from completed developments shown on slide 30. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed.

### **Expected Stabilized Cash Yield**

Calculated as: (Anticipated Stabilized Cash Leasing NOI from Completed Developments) + (Total Costs for selected properties + anticipated additional Tenant Improvement costs in order to complete the adjustments for stabilized lease up of selected properties).

### **Development Margin**

Calculated as: (Estimated Stabilized Cash Yield - Estimated Market Cap Rate) ÷ (Estimated Market Cap Rate).

### OTHER

### Last Quarter Annualized ("LQA")

Griffin defines last quarter annualized as the last quarter's metric multiplied by four.

### Net Debt

Griffin defines net debt as total reported debt at face value, less cash & cash equivalents as of the ending date of the period shown.

### Free Rent

Griffin defines Free Rent as foregone revenue as a result of rent abatement agreements. Free rent is not included in Cash Leasing NOI and, as such, Griffin shows an adjustment for free rent burn-off in Cash Leasing NOI and LQA Cash Leasing NOI numbers on slides 38, 54 and 56 to approximate what Cash Leasing NOI may look like in the selected portfolio once rent abatement periods within that portfolio are completed. During fiscal Q3, Griffin had instances of foregone revenue as a result of rent abatement agreements, or free rent, at the following properties: 20 International Drive (CT), 75 International Drive (CT), 4270 Fritch Drive (PA), 6975 Ambassador Drive (PA) and 160 International Drive (NC).

### Embedded Industrial Cash Leasing NOI Growth ("Embedded Growth")

Griffin defines Embedded Industrial Cash Leasing NOI Growth as anticipated incremental Cash Leasing NOI within its existing industrial portfolio and industrial development pipeline, shown on an annualized basis. Griffin's Embedded Industrial Cash Leasing NOI Growth as of 8/31/20, on an annualized basis, is estimated to be approximately \$9.0 million and is comprised of the following factors:

- Estimated Lease Escalations: Griffin approximates that the weighted average base rental rate contractual escalation across its industrial portfolio for leases in-place as of August 31, 2020 is approximately 2.25% over the course of the next twelve months. Embedded Industrial Cash Leasing NOI Growth includes \$0.5 million from Estimated Lease Escalations, to reflect an increase of 2.25% on LQA Cash Leasing NOI from industrial properties of \$22.0 million.
- Free Rent Burn Off: As noted above, during fiscal Q3, Griffin had instances of foregone revenue as a result of rent abatement provisions (free rent) in the respective leases at the following properties: 20 International Drive (CT), 75 International Drive (CT), 4270 Fritch Drive (PA), 6975 Ambassador Drive (PA) and 160 International Drive (NC). Embedded Industrial Cash Leasing NOI Growth includes \$1.4 million from Free Rent Burn Off, to reflect the amount of rent in abatement during the third quarter's Cash Leasing NOI from industrial properties on an annualized basis.
- Estimated Stabilization Adjustments for Recent Developments & Acquisitions: Lease up of remaining vacancy to 95% occupancy at 160 & 180 International Drive in Charlotte and 170 Sunport Lane in
  Orlando could add an additional \$1.2 million in annualized Cash Leasing NOI, assuming market rents of \$5.00 PSF NNN in Charlotte and assuming market rents of \$7.25 PSF NNN in Orlando. This \$1.2 million is
  included in Embedded Industrial Cash Leasing NOI Growth. Leasing activity for current vacancies at these assumed rents, or at all, cannot be guaranteed.
- Anticipated Completion and Stabilization of Owned Developments: Assumes completion of 3 buildings in Charlotte totaling 520,000 SF, leased at assumed market rents of \$5.00 PSF NNN and assumes completion of a 103,000 SF building in the Lehigh Valley, leased at assumed market rents of \$6.75 PSF NNN. The completion of these developments and leasing activity for these developments at these assumed rents, or at all, cannot be guaranteed. These assumption contribute \$3.3 million to Embedded Industrial Cash Leasing NOI Growth.
- Anticipated Completion and Stabilization of Developments Under Agreement: Assumes acquisition of land for development and completion of the development of two buildings in Orlando totaling 195,000 SF leased at assumed market rents of \$6.50 PSF NNN. Also assumes acquisition of land for development and completion of the development of one 203,000 SF building in the Lehigh Valley leased at assumed market rents of \$6.65 PSF NNN. The acquisition of the land in Griffin's pipeline for development, the completion of these developments and leasing activity for these developments at these assumed rents, or at all, cannot be guaranteed. These assumption contribute \$2.6 million to Embedded Industrial Cash Leasing NOI Growth.