



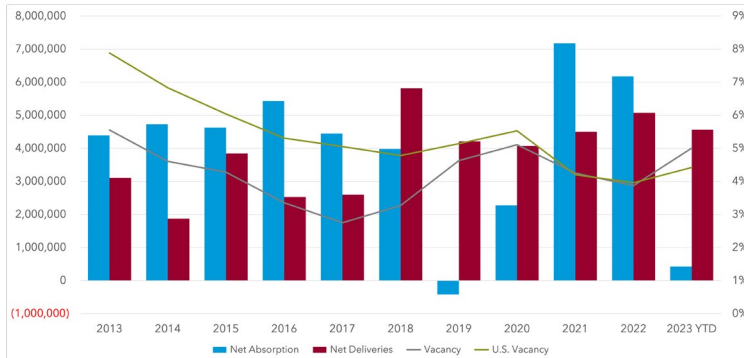
INDUSTRIAL MARKET OVERVIEW

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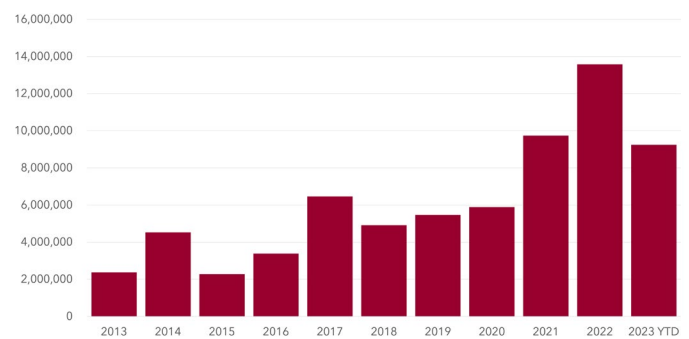
Economic uncertainty and continued inflationary pressures are prolonging skepticism in the market. Many investment sales have been sidelined, while buyers attempt to discern where the cost of funds will settle out long-term. Absorption dipped slightly, largely due to new supply coming online. While market rent growth has slowed it remains historically strong. The strongest rent growth has been in the secondary markets, where tenants exchange some transportation costs for lower base rent and new class A inventory. Year to date construction deliveries of 5M SF are already approaching prior years totals. Another 4M SF is due to come online this year. Developers remain bullish as preleasing carries on and low vacancy remains across the region.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	4,969,808	6,173,844	6,957,928	9,391,418	7,960,989
▲ Vacancy Rate	4.87%	3.87%	4.06%	3.93%	3.88%
▲ Avg NNN Asking Rate PSF	\$14.16	\$13.77	\$13.47	\$13.29	\$12.95
▼ SF Under Construction	9,246,465	13,575,295	12,292,811	10,501,184	9,738,005
▲ Inventory SF	349,057,099	344,493,605	343,773,143	342,307,773	340,290,933

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10120 269th Place NW Stanwood, WA	198,487 SF	\$19,435,000 \$97.92 PSF	No Meat Factory Twin City Foods, Inc.	Class B
18425 50th Avenue E Tacoma, WA	132,745 SF	\$19,900,000 \$149.91 PSF	SeaTac Packaging Astec Industries, Inc.	Class B
1500 124th Avenue NE Bellevue, WA	77,938 SF	\$25,125,000 \$322.37 PSF	Alco Investment Company Ann Jacobsen	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8220 S 212th Street Kent, WA	390,150 SF	Dermody Properties, Inc.	Boeing	Aerospace
16015 51st Avenue NE Marysville, WA	245,619 SF	NorthPoint	Tesla	Manufacturing
3025 International Place Dupont, WA	225,000 SF	Angelo Ianello	Sany	Manufacturing

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