



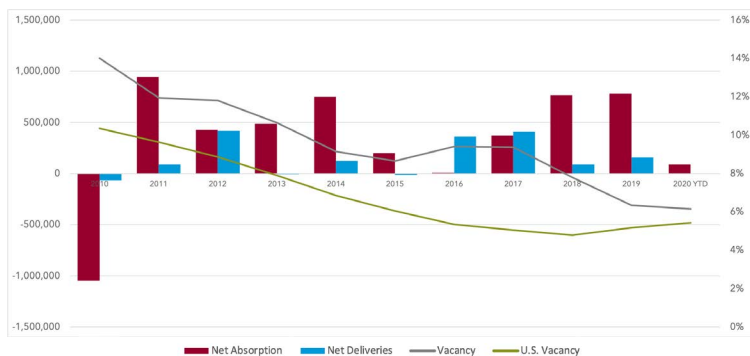
INDUSTRIAL MARKET OVERVIEW

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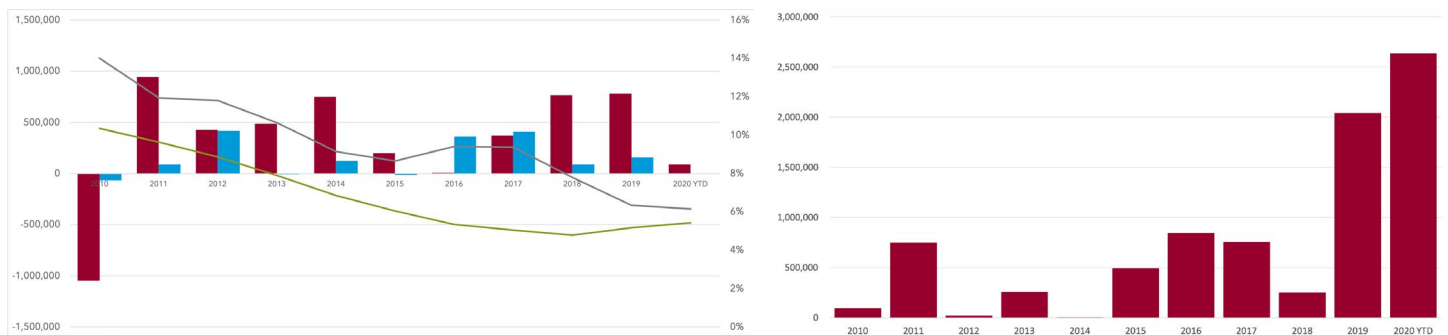
The Durham and Research Triangle are known for its large base of biotechnology, life science, and pharmaceutical companies. Current vacancy is 6.1% due to the strong demand for industrial space, however, it is most challenging to provide a forecast of the market impact of COVID-19. Logistics/warehouse properties have leased quickly as demand for shipping and e-commerce space increases. Investors have been active; the RTP Submarket accounted for a significant portion of sales volume, but sales activity will likely be more modest in the coming months. Prologis closed on the acquisition of Liberty Property Trust for \$13 billion, including the assumption of debt. Prologis announced plans in 2019 to acquire all of Liberty Property Trust including several properties in Durham.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▼ Net Absorption	777,645 SF	780,057 SF	1,299,875 SF	1,117,506 SF	666,336 SF
▼ Vacancy Rate	6.20%	6.40%	6.40%	6.70%	7.60%
▲ Avg NNN Asking Rate	\$8.18/SF	\$8.14/SF	\$8.06/SF	\$7.94/SF	\$7.87/SF
▲ Under Construction	2,636,805 SF	2,042,390 SF	348,029 SF	100,178 SF	147,489 SF
◀▶ Inventory	43,782,893 SF	43,782,893 SF	43,750,454 SF	43,682,715 SF	43,635,404 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5827 S Miami Blvd Morrisville, NC	121,833 SF	\$19,344,000 \$158.77/SF	Alidade Capital Crown Realty & Development	4-Star Flex & R&D
2210 E Pettigrew St Durham, NC	25,996 SF	\$2,500,000 \$96.17/SF	J Arthur Gordon Eastern Carolina Organics	2-Star
4620 Industry Ln Durham, NC	17,000 SF	\$1,650,000 \$97.06/SF	Cimarron Holdings, LLC 4620 Industry Ln, LLC	2-Star

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
805 S Briggs Ave Durham, NC	156,000 SF	Scannell Properties	North State Express	Transportation
121 S LaSalle St Durham, NC	24,000 SF	Rea Riddle Rd LLC	Duke	Business Services
2 Freedom Ct RTP, NC	24,059 SF	Blackstone Real Estate	Fleet Feet	Retailer/Wholesaler