



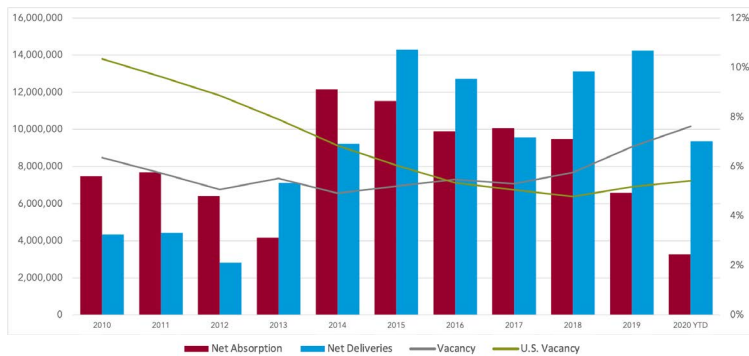
### INDUSTRIAL MARKET OVERVIEW

CHASE CRIBBS, *Principal*

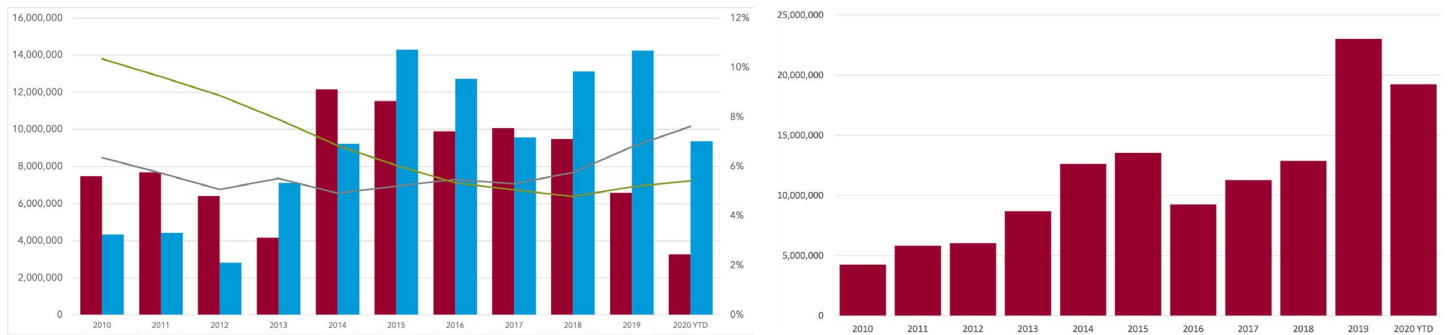
WTI, which saw an inner-day low in late March below \$20 a barrel, and COVID19, which effectively shut down US commerce, will impact the US and Houston CRE Markets for the foreseeable future. There has been an immediate positive impact for short term warehousing needs to accommodate e-commerce and PPE storage/distribution but there is likely to be a longer lasting affect on projects that were slated for 2020 and possibly further out. The volatility in the markets and lack of consumer confidence combined with tighter lending requirements will cause a divergence in expectations from buyers and sellers as well as Tenants and Landlords. While the impact of both WTI, and COVID19, were felt so quickly, the confidence lost in the last 60 days will take much longer to regain.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▲ Net Absorption	9,175,314 SF	6,596,199 SF	6,595,548 SF	9,168,616 SF	6,846,066 SF
▲ Vacancy Rate	7.64%	6.79%	6.60%	6.27%	6.03%
▲ Avg NNN Asking Rate	\$7.41/SF	\$7.37/SF	\$7.42/SF	\$7.38/SF	\$7.33/SF
▼ Under Construction	19,244,304 SF	23,005,523 SF	17,974,078 SF	13,748,013 SF	14,233,430 SF
▲ Inventory	658,304,501 SF	648,911,768 SF	645,410,187 SF	641,672,084 SF	637,093,959 SF

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
15515 Woodham Dr (Portfolio Sale) Houston, TX	727,600 SF	Undisclosed	Prologis, Inc. Liberty Property Trust	Class A
1401 N. Rankin Rd (Portfolio Sale) Houston, TX	656,658 SF	Undisclosed	Prologis, Inc. Liberty Property Trust	Class A
1302 Wharton Weems Blvd (Portfolio) La Porte, TX	600,360 SF	Undisclosed	Prologis, Inc. Liberty Property Trust	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16225 Tomball Pky Houston, TX	443,520 SF	Panattoni	Amazon	Retailers/Wholesalers
18140 Kickapoo Rd Waller, TX	312,640 SF	Sealy & Company	Goodman Air Conditioning and Heating	Agri/Mining/Utilities
8221 Volta Dr Humble, TX	168,850 SF	Duke Realty Corp.	Undisclosed	Undisclosed