



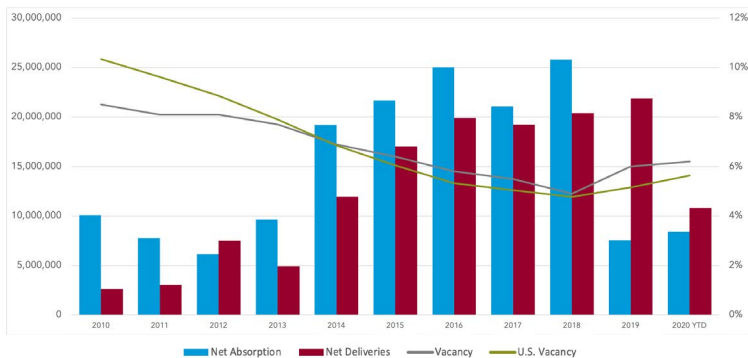
INDUSTRIAL MARKET OVERVIEW

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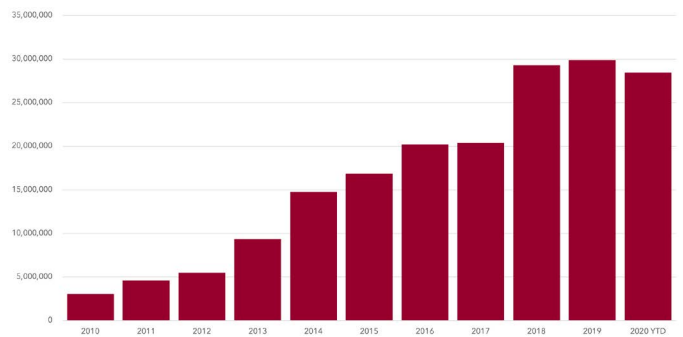
The Philadelphia industrial market powered through the impacts of the novel Corona Virus and a statewide shutdown to post another strong quarter. Net absorption totaled just under +3 MSF, led by leasing activity in Central Pennsylvania, the Lehigh Valley, and the I-81 Corridor. Construction activity strengthened QOQ totaling 28.4 MSF, with SPEC making up 70% of activity. Demand reached 37.5 MSF with 40% at proposal or agreement stages, indicating a strong correlation of requirements and their conversion to absorption events. As industrial prospects continue to bode well, we anticipate a strong second half of 2020.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	2,954,488 SF	4,191,533 SF	2,879,283 SF	4,568,859 SF	(564,372) SF
▲ Vacancy Rate	6.0%	5.9%	5.9%	5.3%	5.3%
▲ Avg NNN Asking Rate	\$5.76 PSF	\$5.63 PSF	\$5.62 PSF	\$5.54 PSF	\$5.48 PSF
▲ Under Construction	28,446,166 SF	26,831,294 SF	29,873,642 SF	29,220,333 SF	29,781,957 SF
▲ Inventory	1,186,996,398 SF	1,181,112,554 SF	1,176,144,870 SF	1,165,525,250 SF	1,161,170,635 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1400 E Lackawanna Ave. Olyphant, PA	770,314 SF	\$12,000,000 \$15.58 PSF	Eastern PA Land Holdings, LLC Cinram International, Inc.	Class C Redevelopment Sale
4200 Braden Blvd. Easton, PA	475,800 SF	\$62,500,000 \$131.36 PSF	Black Creek Group Dermodity Properties, Inc.	Class A
1 Phillips Dr. Mountain Top, PA	400,000 SF	\$15,345,000 \$38.36 PSF	Link Industrial Blackstone Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
200 Technology Dr. Pittston, PA	1,023,000 SF	Mericle	Home Depot	Retail
200 Goodman Dr. Carlisle, PA	938,828 SF	Goodman	Pratt Industrials	Forest & Paper Products
60 Central Blvd. Myerstown, PA	615,600 SF	Duke	Max Finkelstein Inc.	Automotive