



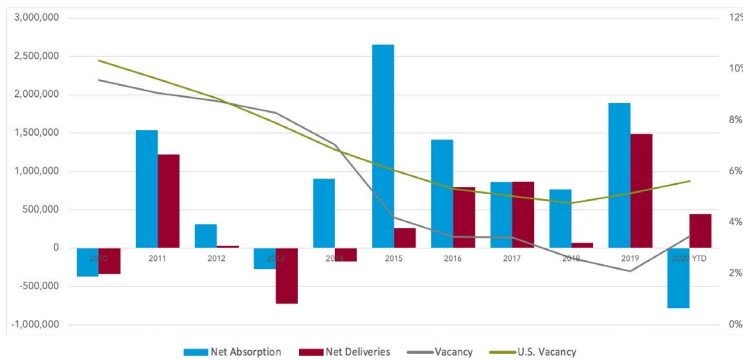
INDUSTRIAL MARKET OVERVIEW

SCOTT HADLEY, *Senior Director*

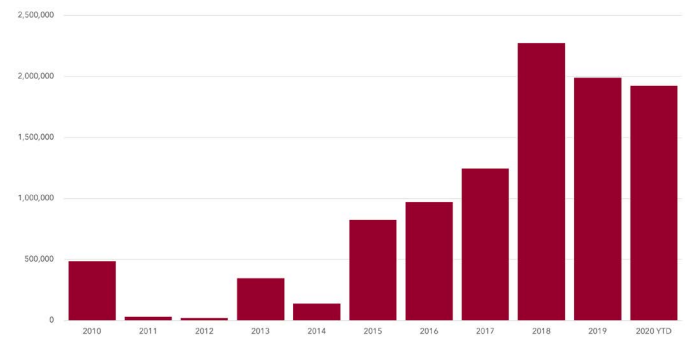
The Raleigh Industrial Market continues to see strong demand in spite of the COVID-19 strain on activity. Population growth to the area is very strong and e-commerce is continuing to grow in the area with Amazon taking another 200,000 SF in the market this quarter. Vacancies are low and demand is creating growth into outlying areas. There is an expectation that COVID-19 will impact demand and rents at some point, but it has not shown any ill effects in the current market.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	328,354 SF	1,250,297 SF	1,894,459 SF	1,171,381 SF	1,408,201 SF
▲ Vacancy Rate	3.3%	3.1%	2.1%	1.8%	2.0%
▲ Avg NNN Asking Rate	\$8.39 PSF	\$8.34 PSF	\$8.28 PSF	\$8.21 PSF	\$8.08 PSF
▲ Under Construction	1,924,106 SF	1,892,106 SF	1,989,909 SF	2,864,988 SF	2,360,558 SF
◀▶ Inventory	89,020,166 SF	89,020,166 SF	88,577,063 SF	87,527,063 SF	87,550,840 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
115 Legacy Crest Court Zebulon, NC	74,750 SF	Undisclosed	Undisclosed Undisclosed	Class B
1685 S. Brightleaf Blvd Smithfield, NC	45,900 SF	\$1,200,000 \$26.14 PSF	Coltrane, Donald L KLT Management	Class B
1685 S. Brightleaf Blvd Smithfield, NC	44,520 SF	\$1,225,000 \$27.52 PSF	Coltrane, Donald L United Parcel Service, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3401 Gresham Lake Rd Raleigh, NC	98,205 SF	Hamilton Partners	Undisclosed	Undisclosed
208 S. Rogers Ln Raleigh, NC	58,926 SF	Gladstone Commercial Corporation	Elster Electricity, LLC	Manufacturing
205 S. Rogers Ln Raleigh, NC	44,888 SF	Keystone Park Associates, LLC	Undisclosed	Undisclosed