



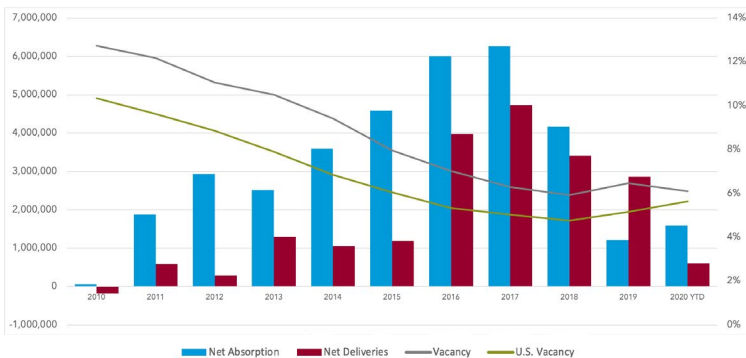
### INDUSTRIAL MARKET OVERVIEW

PIERSON KREUTZER, *Principal*

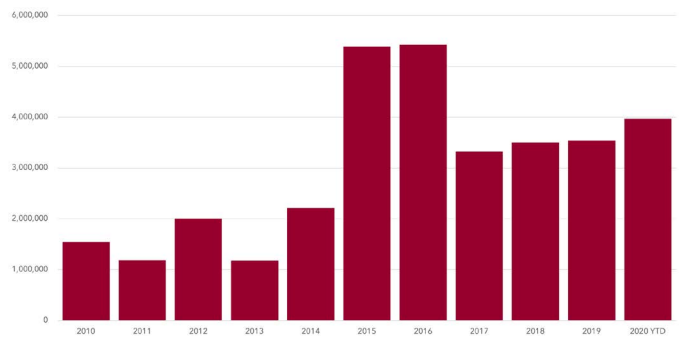
The Northern Virginia Industrial Market remains one of the strongest in the country, despite the coronavirus pandemic. Lifted by the data center and last mile distribution sectors, tenant demand continues to be healthy despite a number of recent spec deliveries. Vacancy rates have hovered well below 10% and we anticipate that number shrinking further. While other segments of the market, such as office and retail, have been negatively impacted by the current health crisis, industrial remains healthy and we anticipate a continued flight to safety from the investment community. As demand increases and supply continues to dwindle, we expect a further tightening of cap rates and a robust capital markets environment.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	979,822 SF	2,569,421 SF	1,210,074 SF	609,779 SF	2,988,131 SF
▲ Vacancy Rate	6.3%	5.9%	6.5%	6.3%	6.1%
▼ Avg NNN Asking Rate	\$11.97 PSF	\$12.00 PSF	\$11.87 PSF	\$11.75 PSF	\$11.57 PSF
▲ Under Construction	3,972,389 SF	3,547,536 SF	3,538,004 SF	3,722,406 SF	3,451,491 SF
▲ Inventory	261,779,215 SF	261,166,556 SF	261,173,934 SF	260,597,059 SF	260,128,967 SF

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11812 Main St Fredericksburg, VA	510,372 SF	Undisclosed	Undisclosed Undisclosed	Undisclosed
10406 Tucker St Beltsville, MD	219,000 SF	\$15,588,200 \$71.18 PSF	Prologis, Inc. Sherwin-Williams	-
6885 Commercial Dr Springfield, VA	190,377 SF	\$52,750,000 \$277.08 PSF	Black Creek Group Ridge Development	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
13905 Crayton Blvd Hagerstown, MD	1,190,700 SF	Trammell Crow Company	Amazon	Retailers/Wholesalers
7100 Holladay Tyler Rd Glenn Dale, MD	139,200 SF	The Blackstone Group, LP	Amazono	Retailers/Wholesalers
9601 Cosner Dr Fredericksburg, VA	128,500 SF	Prologis, Inc.	Simmons	Undisclosed