



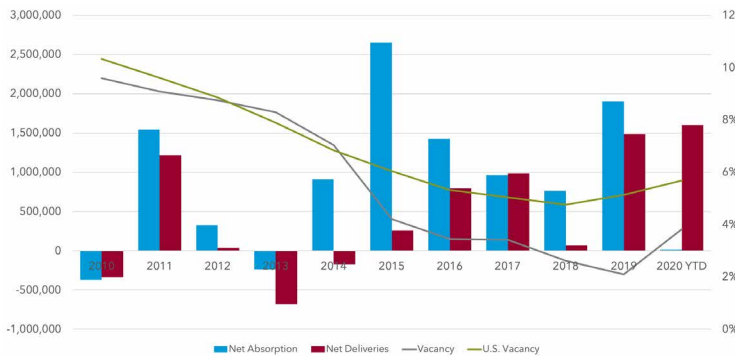
INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Senior Director*

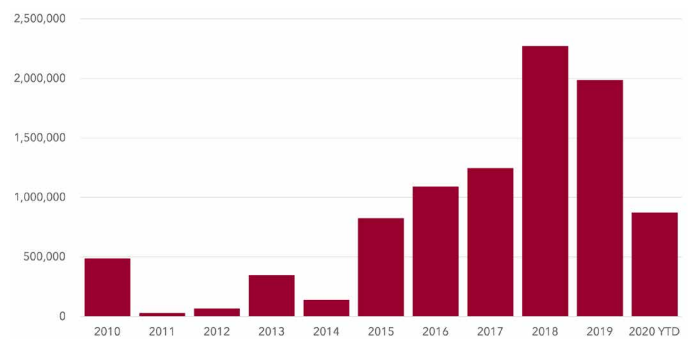
Pushing through the uncertainty, the Triangle's industrial market continues to see strong demand and growth. Lack of inventory of efficient industrial space or well-appointed flex has put a strain on Tenants in the market who must make relocation decisions either due to lease expirations, expansion, or contractions. Although we see a "mixed bag" of Tenant health, some sectors such as medical devices/lab, the home building industry and logistic companies continue to grow and preform. The "Open for Business" attitude of the Triangle has carried industrial throughout this year and has proven to be a bastion for out of state businesses and investors alike. With vacancy rates hovering around the 3-4% range, we still feel that this is a Landlord's market for industrial product.

| MARKET INDICATORS | Q3 2020 | Q2 2020 | Q1 2020 | Q4 2019 | Q3 2019 |
|-----------------------|---------------|---------------|---------------|---------------|---------------|
| ▲ Net Absorption | 723,424 SF | 350,097 SF | 1,248,015 SF | 1,904,159 SF | 1,165,296 SF |
| ▲ Vacancy Rate | 3.9% | 3.4% | 3.1% | 2.1% | 1.8% |
| ▲ Avg NNN Asking Rate | \$8.48 PSF | \$8.43 PSF | \$8.37 PSF | \$8.30 PSF | \$8.23 PSF |
| ▼ Under Construction | 873,604 SF | 1,754,306 SF | 1,870,306 SF | 1,987,909 SF | 2,862,988 SF |
| ▲ Inventory | 90,320,080 SF | 89,311,178 SF | 89,161,178 SF | 88,718,075 SF | 87,668,075 SF |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|--------------------------------------|------------|--------------------------------|-----------------------------------------------------------|----------------|
| 900 Aviation Pkwy Morrisville, NC | 576,000 SF | \$42,800,000.00 \$74.31 PSF | TPG Global LLC Ares Real Estsate Mgmt Holdings | Class B |
| 115 Legacy Crest Ct Zebulon, NC | 74,750 SF | \$3,250,000.00 \$43.48 PSF | Diehl Properties LLC Old Battleground Properties, Inc. | Class B |
| 810 Center St Apex, NC | 35,000 SF | \$2,725,000.00 \$77.86 PSF | Orr Brothers Ventures LLC Parksite, Inc. | Class C |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|-----------------------------------|------------|--------------------------|-------------------------------------|-------------------------------------------------|
| 325 Spectrum Dr Knightdale, NC | 103,920 SF | Trinity Capital Advisors | Highland Construction & Restoration | Construction |
| 2728 Capital Blvd Raleigh, NC | 36,433 SF | Sharp Vue Capital | - | - |
| 910 Center St Apex, NC | 35,000 SF | Orr Brothers Ventures | Orr Brothers | Professional, Scientific and Technical Services |

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