



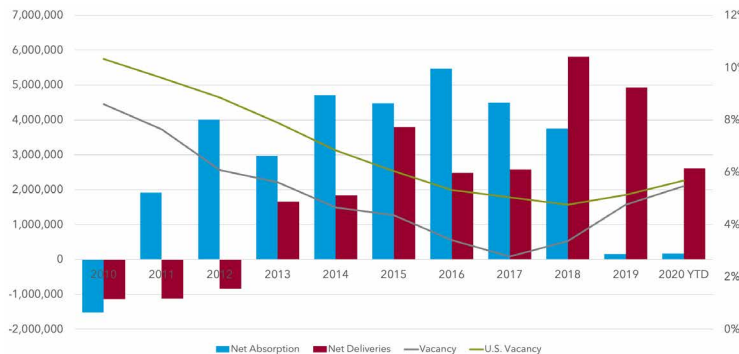
INDUSTRIAL MARKET OVERVIEW

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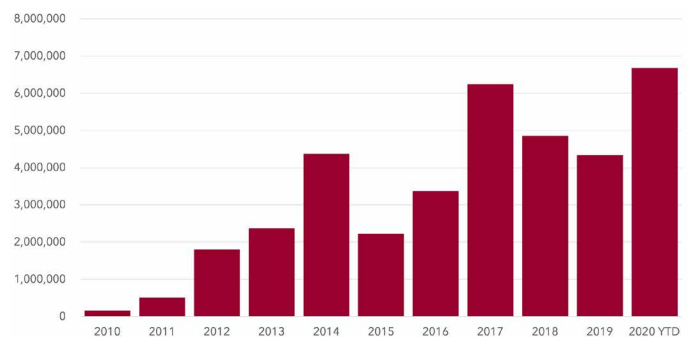
The Seattle industrial market has not been “immune” from the impact of the COVID-19 pandemic and the resulting economic impact, however, the effects on the industrial market have been comparatively manageable thus far (compared to other CRE product types, and other markets). Leasing activity has slowed considerably, except for build-to-suits and large-box leasing by the likes of Amazon and other large companies, notably several mega deals by retailers. The industrial vacancy rate has begun to spike due to some speculative large-box development deliveries, coupled with a glut of sublease space offerings that have hit the market. Lease rates have declined only modestly, but other concessions are increasing.

MARKET INDICATORS	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
▼ Net Absorption	453,307 SF	1,249,131 SF	2,571,844 SF	165,109 SF	1,189,162 SF
▲ Vacancy Rate	5.3%	4.6%	4.6%	4.8%	4.4%
▼ Avg NNN Asking Rate	\$11.03 PSF	\$11.07 PSF	\$11.09 PSF	\$10.93 PSF	\$10.80 PSF
▼ Under Construction	6,400,655 SF	7,470,473 SF	4,166,022 SF	4,342,671 SF	4,353,135 SF
▲ Inventory	331,245,545 SF	329,519,621 SF	329,103,115 SF	328,572,588 SF	327,570,173 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Iron Mountain - 21214 Russell Rd Kent, WA	240,106 SF	\$44,500,000.00 \$185.33 PSF	CenterPoint Properties Iron Mountain (S-L)	Class B
Econobox Building - 851 SW 34th St Renton, WA	164,332 SF	\$29,500,000.00 \$179.51 PSF	EverWest Real Estate Alliance Packaging	Class A
La-Z Boy Building - 21214 66th Ave S Kent, WA	63,546 SF	\$13,485,000.00 \$212.21 PSF	Duke Realty La-Z Boy	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Benaroya Gateway - Old Military Rd Winlock, WA	1,200,540 SF	Benaroya	Lowe's	Retailer (Builder Materials)
Prologis Park Sumner - 2932 142nd Sumner, WA	350,000 SF	Prologis	Maersk/Damco	Logistics
Kent 192 DC - 8615 So. 192nd St. Kent, WA	219,910 SF	Terreno Realty	Costco	Retail

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