



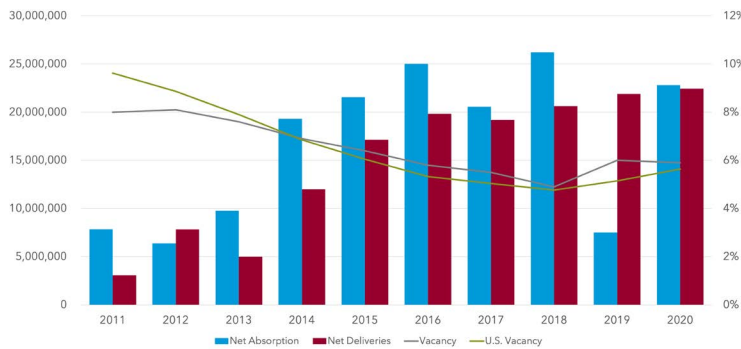
INDUSTRIAL MARKET OVERVIEW

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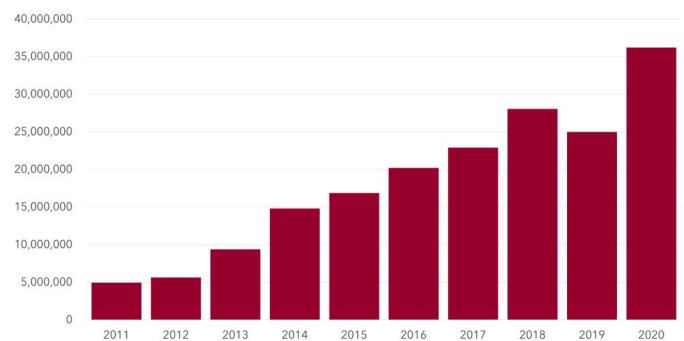
The Philadelphia region industrial market continues to experience significant growth, even as an unprecedented winter drastically limited new construction deliveries. The region witnessed 4.7 MSF of quarterly net absorption in Q1 21, down from the 8.2 MSF reported in Q4 20. Rolling construction weighed in at an impressive 38 MSF, a 1.8 MSF increase from a year prior in Q1 20, and the highest level ever recorded for the region. Market-wide vacancy stood at 6.00%, up from the 5.90% reported last quarter. As we look forward into the remainder of 2021, we can anticipate stable or declining vacancy levels and increased rent growth as supply struggles to keep up with demand, and strong leasing activity continues throughout the Philadelphia region.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▼ Net Absorption SF	4,726,544	8,219,712	5,840,515	3,380,940	5,367,469
▲ Vacancy Rate	6.00%	5.90%	6.30%	6.30%	6.10%
▲ Avg NNN Asking Rate	\$6.41 PSF	\$6.18 PSF	\$5.95 PSF	\$5.77 PSF	\$5.64 PSF
▲ SF Under Construction	38,041,959	36,210,997	30,504,595	26,283,034	25,412,885
▲ Inventory SF	1,216,035,663	1,205,797,058	1,202,424,008	1,195,855,054	1,189,771,268

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1101 New Ford Mill Road Morrisville, PA	467,257 SF	\$32,100,000 \$68.70 PSF	Certified Lumber Corporation Univar Solutions USA, Inc.	Class B
601 Stony Battery Road Landisville, PA	252,800 SF	\$23,725,000 \$93.85 PSF	TA Realty High Street Logistics Properties LLC	Class B
6300 Bristol Pike Levittown, PA	149,180 SF	\$21,300,000 \$142.78 PSF	Realty Income Corporation Alliance Partners HSP, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3633 Commerce Center Blvd. Bethlehem, PA	1,041,600 SF	Majestic	Nike	Footwear & Accessories
Valley View Trade Center Jessup, PA	1,027,660 SF	Trammel Crow / Diamond Realty Invst.	Undisclosed	E-commerce
Mansfield Logistics Park - Bldg 2 Burlington, NJ	710,368 SF	Clarion/MRP	US E-Logistics	Logistics and Supply Chain

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