



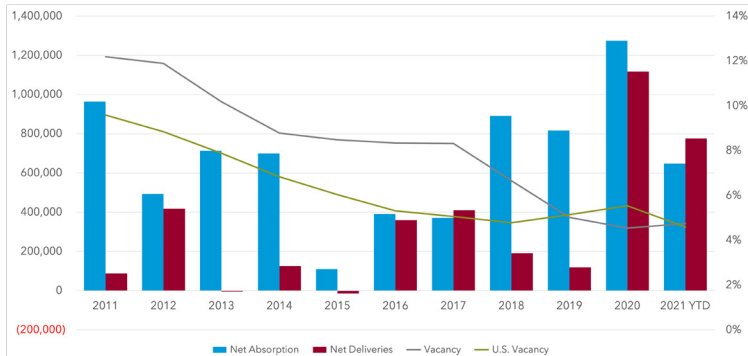
INDUSTRIAL MARKET OVERVIEW

WILL JUDY, *Broker*

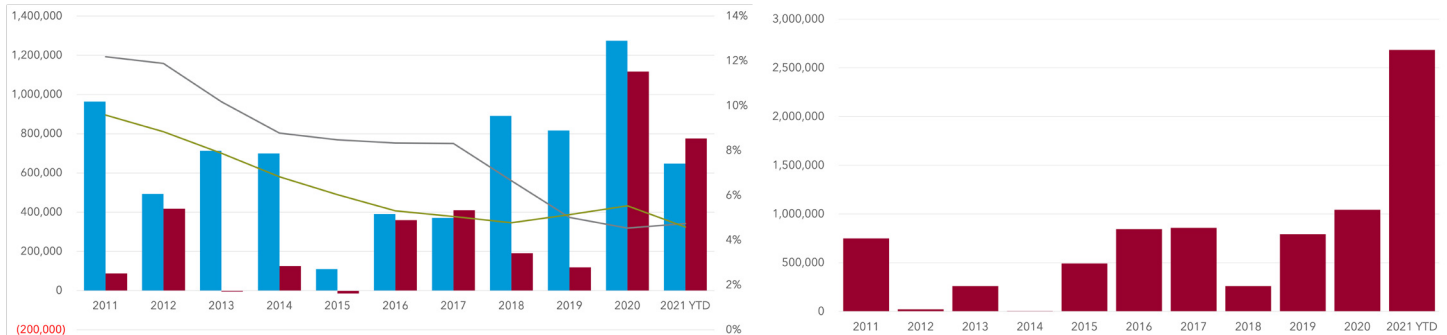
The Raleigh-Durham market continued full steam ahead as it maintained positive net absorption throughout Q3. Vacancy rates continue to linger around historic lows while asking rates climb. In the last quarter, average asking rental rates jumped 2.8% and 2.5% in the Raleigh and Durham markets respectively. The increase in rates and low vacancy are leading indicators to the continuous demand we're seeing across both markets for industrial product. Riding in the tailwind of this demand, new construction continues to rise in both markets, and it couldn't come quickly enough. We fully expect these positive trends to continue into Q4.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▼ 12 Mo. Net Absorption SF	1,236,358	1,518,982	777,293	1,274,817	799,978
▲ Vacancy Rate	5.0%	4.0%	6.0%	5.0%	5.0%
▲ Avg NNN Asking Rate PSF	\$8.91	\$8.69	\$8.51	\$8.39	\$8.28
▼ SF Under Construction	2,683,780	2,889,770	2,422,090	1,043,240	1,418,052
▲ Inventory SF	45,095,758	44,889,768	44,368,396	44,319,746	43,944,934

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
805 S Briggs Ave - Building 6 Durham, NC	260,000 SF	\$43,140,000 \$165.94 PSF	The Blackstone Group Scannell Properties	Class A
1247 Person St - Building 2 Durham, NC	144,000 SF	\$23,900,000 \$165.94 PSF	The Blackstone Group Scannell Properties	Class A
3029 E Cornwallis Rd - Building 6 Durham, NC	135,000 SF	\$18,800,000 \$139.26 PSF	DPR RTP Genesis TKC-3029	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
224 N Hoover Road Durham, NC	160,810 SF	NorthBridge	Undisclosed	Undisclosed
1211 Person Street Durham, NC	132,000 SF	Undisclosed	LifeScience Logistics	LifeScience and Transportation
4022 Stirrup Creek Drive Durham, NC	61,376 SF	TPG Real Estate	Undisclosed	Undisclosed

