



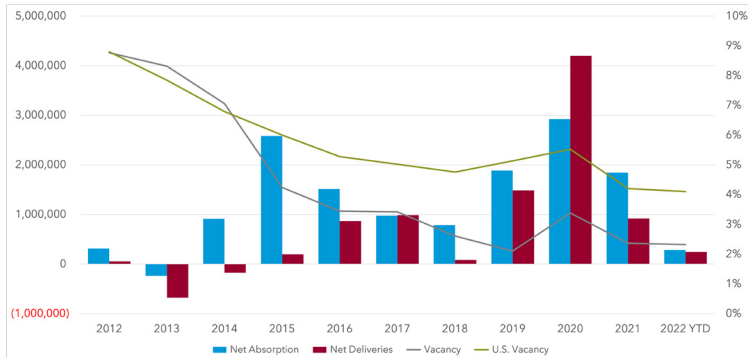
INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Senior Director*

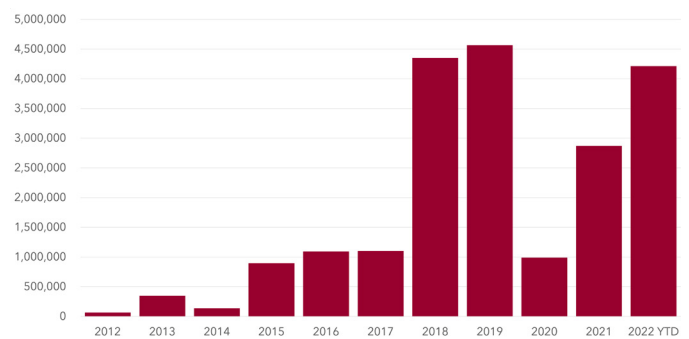
The Raleigh-Durham industrial market remained exceptionally hot in Q1 2022. Record level demand continued to outpace supply as existing companies look to bolster their warehouse presence, startups demand more space, and institutional-grade investors seek to deploy capital. Vacancy rates continued to compress even as new product came online and average asking rates climbed higher. The square footage of product under construction in the Raleigh market grew by nearly 47% as developers scramble to match demand. As North Carolina continues to attract massive investment from global companies, investor and developer sentiment remains bullish on sustained industrial demand in the Raleigh-Durham market.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ 12 Mo. Net Absorption SF	2,193,367	1,841,816	2,094,553	4,183,374	2,991,362
▲ Vacancy Rate	2.41%	2.37%	2.92%	2.90%	3.52%
▲ Avg NNN Asking Rate PSF	\$9.88	\$9.58	\$9.31	\$9.08	\$8.91
▲ SF Under Construction	4,213,866	2,870,385	1,389,558	918,938	956,821
▲ Inventory SF	94,034,669	93,790,069	93,616,912	93,280,557	92,844,797

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
100 Nomaco Drive Youngsville, NC	363,918 SF	\$26,500,000 \$72.82 PSF	K-Flex Noda LLC	Class B
100 Hunter Place Youngsville, NC	101,460 SF	\$3,780,000 \$37.29 PSF	APG Advisors Sirchie Acquisition	Class B
120 Kindley Street Raleigh, NC	44,000 SF	\$8,700,000 \$197.73 PSF	Spandrel Development Partners Capital City Urban Development	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2728 Capital Boulevard Raleigh, NC	68,554 SF	Beacon Partners	Park Building Supply	Construction
375 Spectrum Drive Knightdale, NC	60,134 SF	Bentall Green Oak	Undisclosed	Undisclosed
5640 Departure Drive Raleigh, NC	54,480 SF	Property Resources	Undisclosed	Undisclosed

