



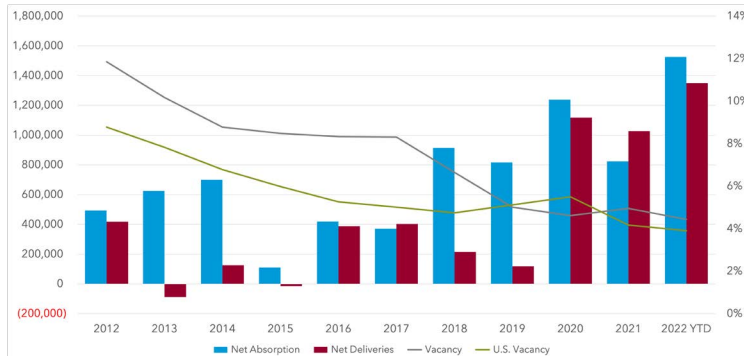
### INDUSTRIAL MARKET OVERVIEW

SCOTT HADLEY, *Vice President*

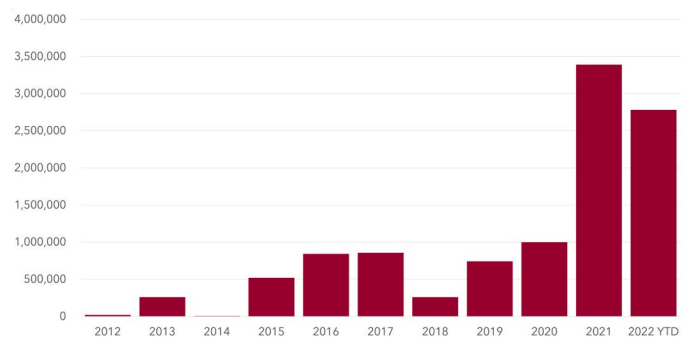
Raleigh-Durham's industrial absorption continues to be strong. Rates in both markets continue to see an average increase. Vacancy remains nearly unchanged in Durham but is slightly up in Raleigh. Product under construction in 2022 shows a 17% increase for both Raleigh and Durham which will impact absorption going forward. Sales remain strong with the market showing a slow increase in cap rates on sales. Inflation, the cost of construction, rising interest rates, and increased product under construction are going to impact the vacancy rates going forward and begin to put pressure on rents. The market remains strong but will be cautious going forward.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▲ 12 Mo. Net Absorption SF	1,438,001	1,358,489	823,972	1,242,966	1,521,865
▲ Vacancy Rate	4.8%	4.6%	5.0%	4.7%	4.2%
▲ Avg NNN Asking Rate PSF	\$9.97	\$9.68	\$9.37	\$9.11	\$8.88
▼ SF Under Construction	2,782,101	3,839,197	3,390,297	2,177,505	2,298,270
▼ Inventory SF	46,746,046	45,390,046	45,396,303	45,189,728	44,942,963

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4001 Stirrup Creek Drive Durham, NC	208,800 SF	\$49,900,000 \$238.98 PSF	LaSalle Investment Management Link Logistics Real Estate	Class B
4102 S Miami Boulevard Durham, NC	132,000 SF	\$22,250,000 \$168.56 PSF	LaSalle Investment Management Link Logistics Real Estate	Class B
1211 Person Street Durham, NC	132,000 SF	\$26,253,500 \$198.89 PSF	Blackstone Inc. Scannell Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
TW Alexander Drive Durham, NC	189,072 SF	Undisclosed	Undisclosed	Undisclosed
TW Alexander Drive Durham, NC	73,920 SF	Tga Tca Durham Logistics Ctr L	Undisclosed	Services
865 S Briggs Avenue Durham, NC	63,800 SF	NorthBridge	Costco Wholesale	Retailer

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