



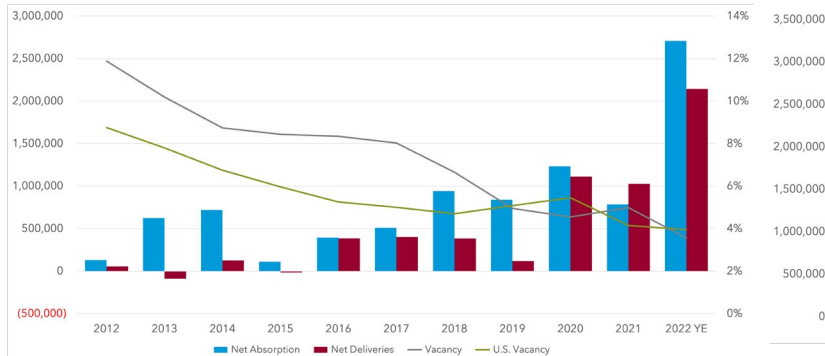
INDUSTRIAL MARKET OVERVIEW

MARLENE SPRITZER, SIOR, CCIM, J.D., *Vice President*

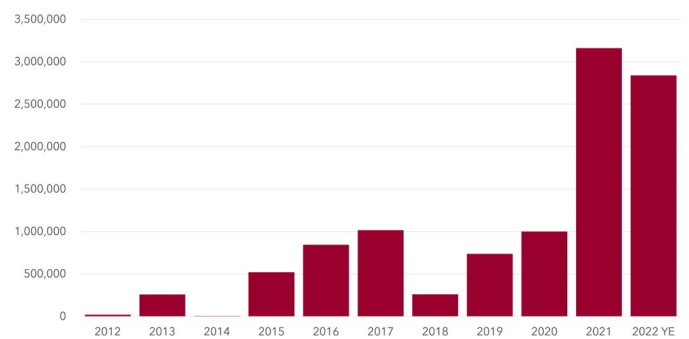
The Raleigh-Durham industrial market continued to see rising rental rates and a low vacancy rate of 3.19% in 4Q2022. The market has nearly 5 million SF under construction. Strong interest continues; however, there have been fewer buyers as some investors and developers are pausing as interest rates rise and loan-to-value ratios require more money down. Demand for life sciences space remains strong with over 10 million SF of potential space in the pipeline including new construction and conversions, with 1.6 million SF currently under construction; however, it is possible that some of the proposed space may be built as another product type.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	2,708,617	2,715,125	1,551,935	1,439,006	785,525
▲ Vacancy Rate	3.6%	3.4%	4.8%	4.6%	5.0%
▲ Avg NNN Asking Rate PSF	\$10.38	\$10.16	\$9.90	\$9.62	\$9.34
▲ SF Under Construction	2,840,432	2,473,499	2,866,601	3,478,327	3,160,608
▲ Inventory SF	47,263,309	47,120,709	46,600,354	45,244,354	45,119,430

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1805 TW Alexander Drive Durham, NC	324,838 SF	\$32,686,632 \$100.62 PSF	Prologis, LP Duke Realty Corporation	Class A
1757 TW Alexander Drive Durham, NC	219,055 SF	\$22,040,000 \$100.62 PSF	Prologis, LP Duke Realty Corporation	Class A
78 TW Alexander Drive Durham, NC	142,600 SF	\$21,410,000 \$224.14 PSF	Oxford Properties Group Davidson Craven Development	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
933 Ellis Road Durham, NC	130,850 SF	Trinity Capital Advisors LLC	Undisclosed	Undisclosed
2520-2528 S Tri-Center Boulevard Durham, NC	45,129 SF	Clarion Partners	Undisclosed	Undisclosed
4324 S Alston Avenue Durham, NC	17,910 SF	Ticon Commercial	Undisclosed	Undisclosed

