



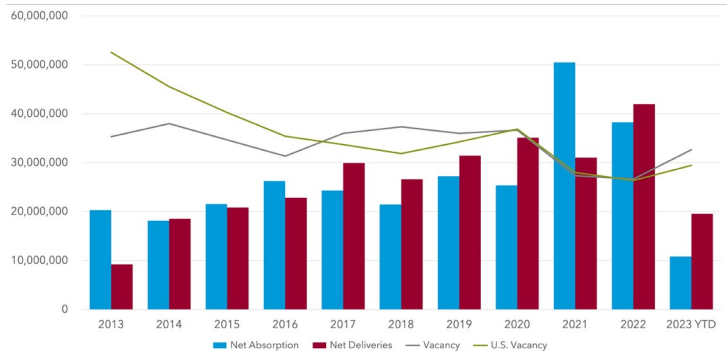
INDUSTRIAL MARKET OVERVIEW

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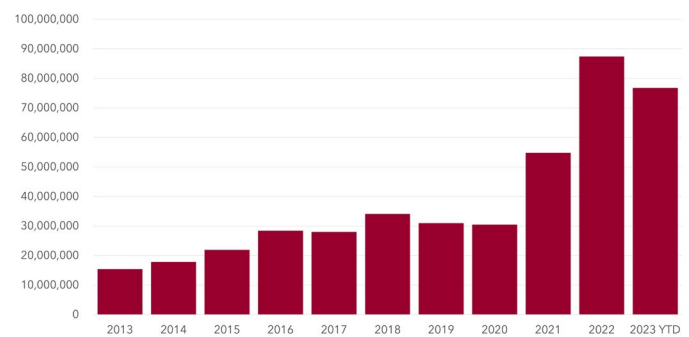
The industrial market in Dallas-Fort Worth (DFW) is normalizing after seeing incredibly strong growth over the past couple of years. As of Q1 2023, DFW leads the country in new developments, with over 76.7 million SF currently under construction. Pre-leasing activity is around 20%, signaling the potential for continued vacancy rises. Vacancy rates rose slightly to 4.9% after hovering around 4.0% for several consecutive quarters. Occupiers absorbed over 10.8 million SF in Q1, bringing 12-month net absorption to 40.9 million SF. Across the market, the average market rent for industrial and flex spaces was \$8.70 per square foot, up year-over-year from Q1 2022's \$7.46 per square foot.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	40,953,841	38,297,459	39,198,992	39,836,902	43,528,451
▲ Vacancy Rate	4.9%	4.0%	3.9%	3.9%	4.1%
▲ Avg NNN Asking Rate PSF	\$8.70	\$8.46	\$8.15	\$7.58	\$7.46
▼ SF Under Construction	76,726,861	87,380,089	82,829,301	66,056,865	58,311,949
▲ Inventory SF	1,091,810,229	1,072,229,186	1,062,449,838	1,048,886,176	1,038,467,033

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Denton Point Denton, TX	242,320 SF	\$32,000,000 \$132.00 PSF	Spirit Realty Capital Associated Material	Class B
1401 Dunn Drive Carrollton, TX	100,800 SF	\$13,450,000 \$133.43 PSF	High Street Realty Company Charity Supply	Class B
10701-10727 Plano Road Dallas, TX	78,657 SF	\$9,150,000 \$116.33 PSF	Ash Property Investments Tillar Partners	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3701 Midpoint Drive Lancaster, TX	1,037,316 SF	MetLife, Inc	DSV Global Transport and Logistics	Transportation and Warehousing
11333 County Road, 212 Forney, TX	904,495 SF	Stillwater Capital Investments	Hays Co	Transportation and Warehousing
2900 West Drive Lancaster, TX	603,328 SF	AEW Capital Management	Blue Triton Waters	Manufacturing

