



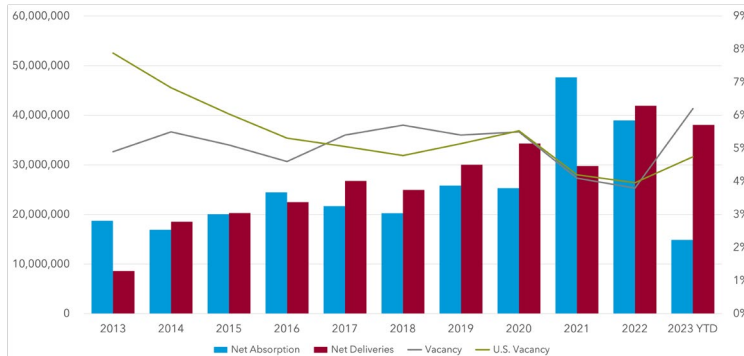
INDUSTRIAL MARKET OVERVIEW

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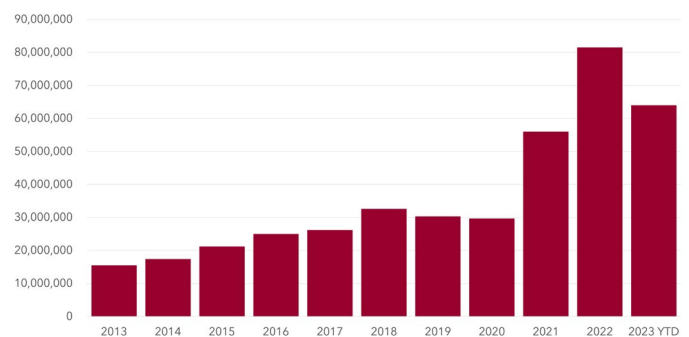
The Dallas-Fort Worth (DFW) industrial market continued to normalize in Q2 2023, with quarterly net absorption slowing to 5.4 million square feet and vacancy rising to 6.2%. The construction pipeline remained at record levels, with 64 million square feet of space under development. Slowing demand and record deliveries will likely continue to drive up vacancy rate, but expect rental rates to continue climbing. Demand for industrial space in DFW is being driven by a number of factors, including the strong economy, the growth of e-commerce, and the relocation of businesses from California and other high-cost areas. As a result, the DFW industrial market is expected to remain healthy in the coming quarters.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	39,354,236	43,811,708	37,940,155	38,645,155	38,416,942
▲ Vacancy Rate	6.2%	4.9%	3.8%	3.9%	4.0%
▲ Avg NNN Asking Rate PSF	\$8.23	\$7.63	\$7.35	\$7.06	\$6.65
▼ SF Under Construction	63,982,929	63,997,825	77,732,461	75,480,107	62,877,218
▲ Inventory SF	973,374,851	957,213,438	938,168,677	928,477,187	914,983,326

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
North Quarter 35, Buildings 1,2, & 4 Fort Worth, TX	485,330 SF	\$73,656,545 \$151.77 PSF	Westcore Properties, Inc. M2G Ventures	Class B
Core 5 Logistics Center at McKinney McKinney, TX	279,356 SF	\$32,000,000 \$114.55 PSF	United Pacific Industries, Inc. Core5 Industrial Partners	Class A
4200-4240 Spring Valley Road Dallas, TX	61,139 SF	\$10,210,213 \$167.00 PSF	Fort Capital Ledo Capital Group	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
FM-156 Fort Worth, TX	1,076,459 SF	Hillwood	Undisclosed	Undisclosed
1201 Bold Ruler Road Justin, TX	1,008,416 SF	NorthPoint Development	Dollar General	Retail
Exeter Westpark I Denton, TX	609,127 SF	EQT Exeter	Undisclosed	Undisclosed

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