



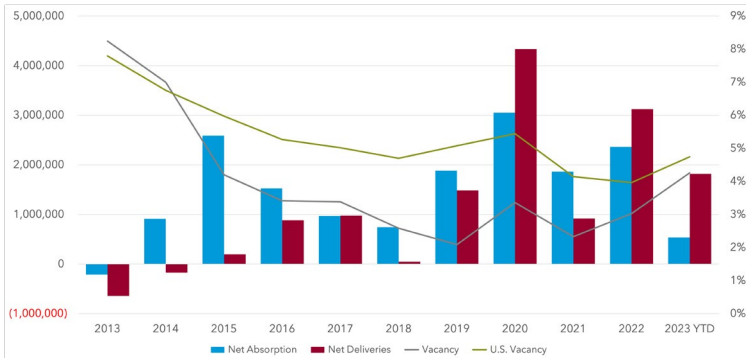
INDUSTRIAL MARKET OVERVIEW

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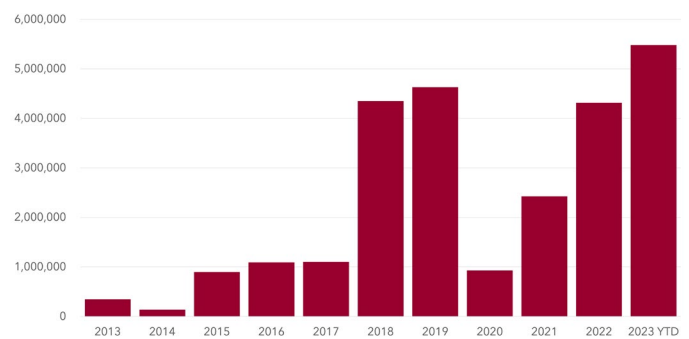
The Raleigh industrial market continues to see rising rental rates and a low vacancy rate of 3.88% in the second quarter of 2023 compared to 4.34% in the first quarter. The market has 5.5 million SF under construction. Demand is high due to the region's growth and the need for more industrial product. Construction costs and less availability of land contribute to rising rent rates particularly for new product, thus landlords are less likely to entertain much in the way of negotiations on rate, concessions, or improvements. Even with rising interest rates, demand remains strong, while investors have fewer options available for purchase.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	2,848,090	2,546,299	2,364,359	2,631,782	1,438,050
▼ Vacancy Rate	3.88%	4.38%	3.03%	2.65%	2.62%
▲ Avg NNN Asking Rate PSF	\$11.34	\$11.11	\$10.83	\$10.57	\$10.30
▲ SF Under Construction	5,480,703	5,214,866	4,316,180	4,341,493	5,412,695
▲ Inventory SF	99,602,007	99,396,924	97,783,104	96,983,209	95,389,559

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
205 Bickett Boulevard Raleigh, NC	18,315 SF	\$4,060,000 \$221.68 PSF	Textbook Properties LLC Electric Supply Co-Raleigh	Class C
790 NC 561 Highway Centerville, NC	12,648 SF	\$750,000 \$59.30 PSF	Triangle Risk Advisors Lawrence R. and Janie M. Pulley	Class C
103 S. Front Street Franklinton, NC	12,000 SF	\$250,000 \$20.83 PSF	Salas Properties LLC Shearwater Properties Worldwide LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1412 Stewart Street Fuquay-Varina, NC	30,000 SF	Vialink	Undisclosed	Undisclosed
225 Technology Park Lane Fuquay-Varina, NC	18,000 SF	Greenscape, Inc.	Transoms Direct	Professional, Scientific, and Technical Services
3321 Hobby Court Raleigh, NC	15,450 SF	Hobby Properties	Hoffman Mechanical Solutions, Inc.	Services

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