



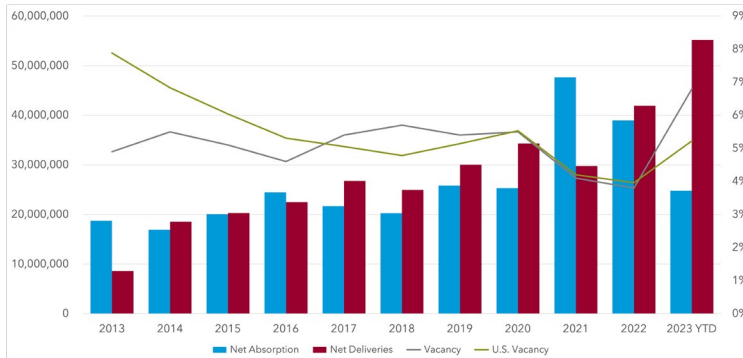
INDUSTRIAL MARKET OVERVIEW

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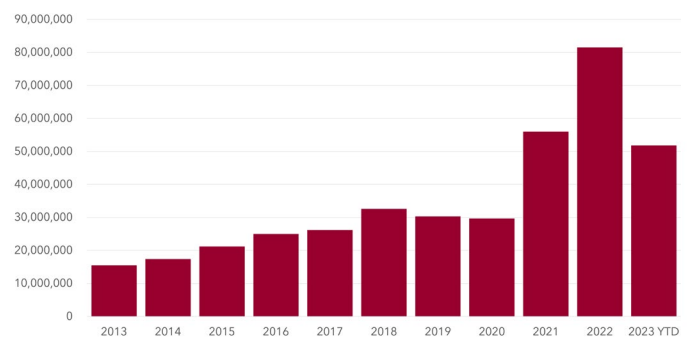
Dallas-Fort Worth (DFW) is witnessing a rise in vacancy rates as property deliveries, especially from large buildings, outpace demand through mid-2023. The industrial development pace is cooling due to fewer construction loans and rising costs. Rent growth is slowing, currently at 8.6%, down from 12.6% in mid-2022. This deceleration is expected to persist in the near term, with tenants gaining more bargaining power in outlying submarkets, while landlords maintain stronger control over rents in the core market. In all, the DFW industrial market will remain a key market due to its location, infrastructure, and supply, but we are likely past the largest boom period of recent years and pivoting into normalization.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	35,069,916	39,354,236	43,811,708	37,940,155	38,645,155
▲ Vacancy Rate	6.8%	6.2%	4.9%	3.8%	3.9%
▲ Avg NNN Asking Rate PSF	\$8.39	\$8.23	\$7.63	\$7.35	\$7.06
▼ SF Under Construction	51,815,202	63,982,929	63,997,825	77,732,461	75,480,107
▲ Inventory SF	992,943,074	973,374,851	957,213,438	938,168,677	928,477,187

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2201 Stonemont Way Fort Worth, TX	218,400 SF	\$29,350,000 \$134.39 PSF	OmniCable Stonemont Financial	Class A
1525 W. Frankford Road Carrollton, TX	187,424 SF	\$25,900,000 \$138.19 PSF	Cawley Partners Principal Financial Group, Inc.	Class A
525 Centre Park Boulevard Desoto, TX	106,700 SF	\$12,050,000 \$112.93 PSF	Solar Turbines Incorporated Acuity Specialty Products, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2900 S. Valley Parkway Lewisville, TX	799,460 SF	Majestic Realty Company	Flexport	Supply Chain Mgmt & Logistics
2900 N. State Highway 161 Irving, TX	523,260 SF	Perot Development/ Invesco	LKQ Corp	Auto Parts
13500 Independence Parkway Fort Worth, TX	413,508 SF	J.P. Morgan Investment Management, Inc.	FedEx	Global Shipping and Logistics

