



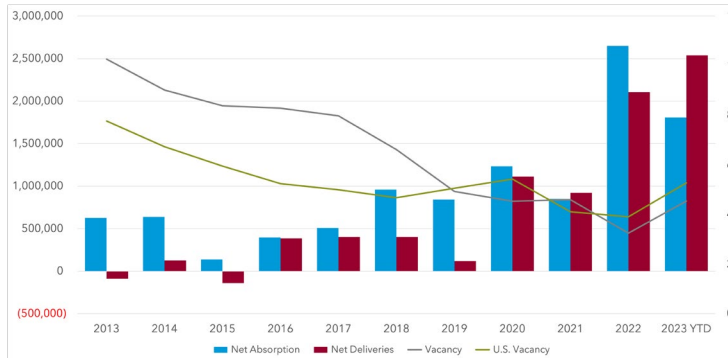
INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Broker*

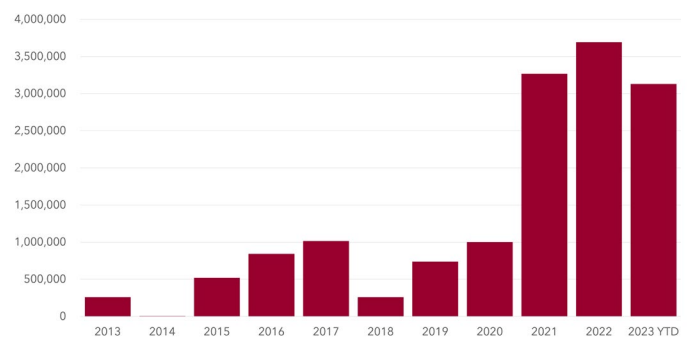
In Q3 2023, the Durham industrial market displayed strength in a national market that continues to show signs of softening. Marked by a 12-month net absorption that, while slightly lower than the previous quarter, reflects ongoing demand. The decreased vacancy rate, along with a modest uptick in the average NNN asking rate, indicates a healthier, competitive market. Additionally, the substantial increase in square footage under construction points to optimism for future supply. With the total inventory expanding, these stats collectively signify a resilient and evolving market, offering opportunities for growth and investment in Durham's industrial sector.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	2,091,808	2,387,435	2,721,719	2,650,255	2,589,396
▼ Vacancy Rate	4.23%	4.79%	4.95%	3.25%	3.30%
▲ Avg NNN Asking Rate PSF	\$11.14	\$11.01	\$10.77	\$10.48	\$10.23
▲ SF Under Construction	3,131,336	2,739,259	3,043,945	3,692,995	3,799,095
▲ Inventory SF	50,051,351	49,488,428	48,706,072	47,513,702	47,407,602

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
311 W. Corporation Street Durham, NC	7,170 SF	\$2,200,000 \$306.83 PSF	Hart Guerard Dillard, Jr Alliance Architecture	Class C
1129 E. Geer Street Durham, NC	7,000 SF	\$1,250,000 \$178.57 PSF	Prestige Home Solutions Larry Dwayne Sauls	Class C
917 Ellis Road Durham, NC	6,000 SF	\$1,600,000 \$266.67 PSF	Benjamin Everett James I. Anthony, Jr.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
000 W. Ten Road Mebane, NC	265,000 SF	MRE Propco LP	Mid-Atlantic Stihl, Inc.	Manufacturing
5511 W. Ten Road Mebane, NC	248,700 SF	The Carlyle Group	Undisclosed	Undisclosed
4900 Prospectus Drive Durham, NC	41,584 SF	Alidade Capital	Undisclosed	Undisclosed

