



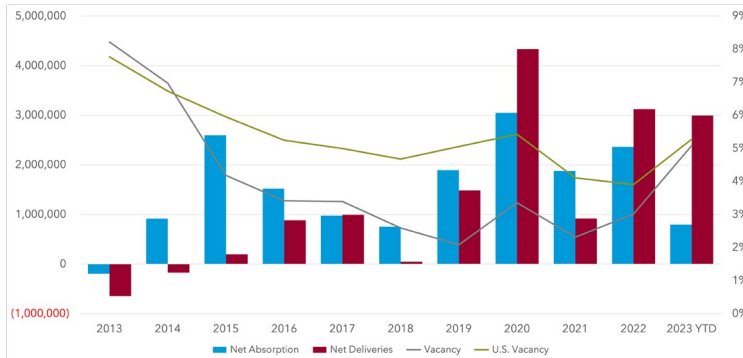
INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Broker*

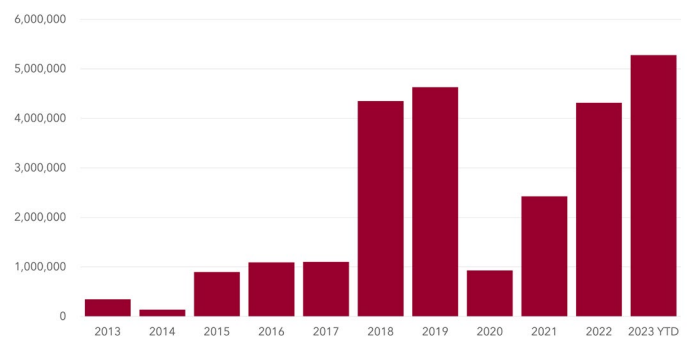
In Q3 2023, the Raleigh industrial market experienced a decrease in 12-month net absorption, with inventory totaling 1,371,410 square feet compared to the previous quarter's 2,776,544 square feet, indicating a slight slowdown in demand. The vacancy rate rose to 4.94% from 3.94% in Q2, signifying a more balanced market. The average NNN asking rate per square foot increased to \$11.54, up from \$11.40 in Q2. As some Tenants have shown caution through 2023, activity is constant as options remain limited resulting in a high renewal rate and compromises in space selection. Overall, our market remains optimistic for a strong close of 2023.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,371,410	2,776,544	2,515,714	2,364,359	2,624,582
▲ Vacancy Rate	4.94%	3.94%	4.40%	3.01%	2.65%
▲ Avg NNN Asking Rate PSF	\$11.54	\$11.40	\$11.16	\$10.87	\$10.60
▼ SF Under Construction	5,277,683	6,263,030	5,735,866	4,316,180	4,341,493
▲ Inventory SF	101,350,803	100,179,571	99,971,001	98,357,181	97,557,286

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3301 Integrity Drive Garner, NC	60,000 SF	\$7,790,000 \$129.83 PSF	HCEB L&B Leasing II LLC CTR Properties LLC	Class B
400 Park Avenue Youngsville, NC	54,000 SF	\$6,450,000 \$119.44 PSF	Jay Pitcher Dino Radostas	Class B
606 Church Street Morrisville, NC	57,600 SF	\$4,810,000 \$83.51 PSF	Nystrom Family Caroline Components Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1901 Treygan Road Garner, NC	141,250 SF	RWN Real Estate Partners LLC	Undisclosed	Undisclosed
1251 Burma Apex, NC	129,944 SF	Apex Industrial Owner 3 LLC	Undisclosed	Undisclosed
400 Park Avenue Youngsville, NC	54,000 SF	Jay Pitcher	White Street Brewing Company	Breweries

