



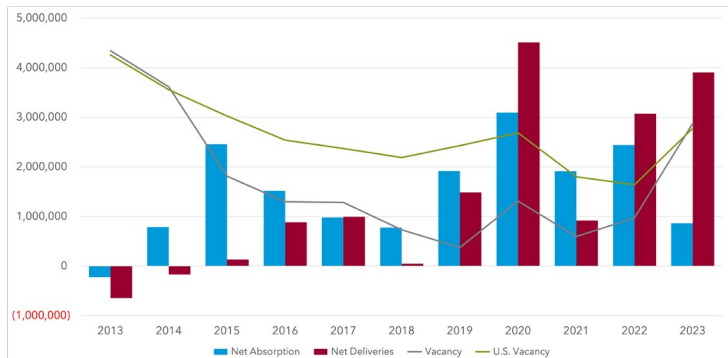
INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Senior Director*

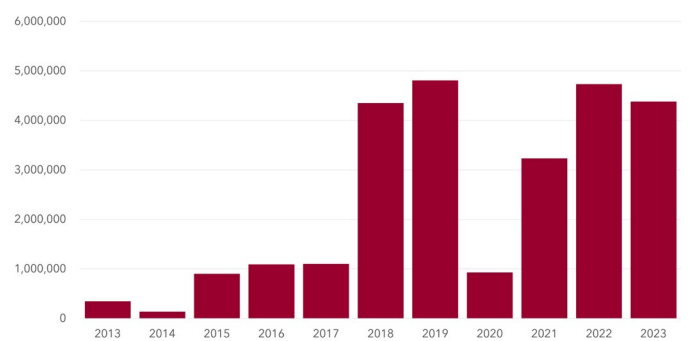
Availability of land, lower-cost power, logistics infrastructure, favorable business environment, highly educated and skilled labor, help place North Carolina in the top three states leading the U.S. in sheer numbers of major future manufacturing developments. However, during 2023, demand and absorption were below Raleigh's historical average. In 2023, rent growth slowed, 3.8 million SF of new inventory delivered, prices leveled off, sales were small. Currently blended rent is \$11.70 SF, which is higher than rents in Southeastern peer markets, attributed to the number of life science properties and research and development facilities. Another 4.7 million SF, planned to deliver in 2024, will expand existing inventory 4.5%.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ 12 Mo. Net Absorption SF	865,215	767,394	2,662,898	2,411,468	2,439,875
▲ Vacancy Rate	5.82%	5.37%	3.88%	4.33%	2.96%
▲ Avg NNN Asking Rate PSF	\$11.76	\$11.62	\$11.43	\$11.18	\$10.89
▼ SF Under Construction	4,380,762	5,056,944	5,982,338	5,455,246	4,734,439
▲ Inventory SF	102,243,707	101,213,050	100,041,890	99,833,320	98,339,500

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 Stamford Drive Cary, NC	151,500 SF	\$25,000,000 \$165.02 PSF	SFG Cary LLC Antec Corporation	Class B
8900 Capital Boulevard Raleigh, NC	88,687 SF	\$11,476,000 \$129.00 PSF	Indivior, Inc. Sagent Pharmaceuticals	Bio-Tech/Lab
5640 Departure Drive Raleigh, NC	54,480 SF	\$9,500,000 \$174.38 PSF	Johnstone Supply PMT Departure, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Holly Springs New Hill Road Holly Springs, NC	400,000 SF	Fujifilm Diosynth Biotechnologies	Janssen Supply Group	Manufacturing
2405-4215 Innovation Loop Youngsville, NC	262,189 SF	Summit Real Estate Group	Two Leases Undisclosed	Undisclosed
11011 Longistics Way Morrisville, NC	26,680 SF	Center Partners LLC	Rentokil North America	Professional Services

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