



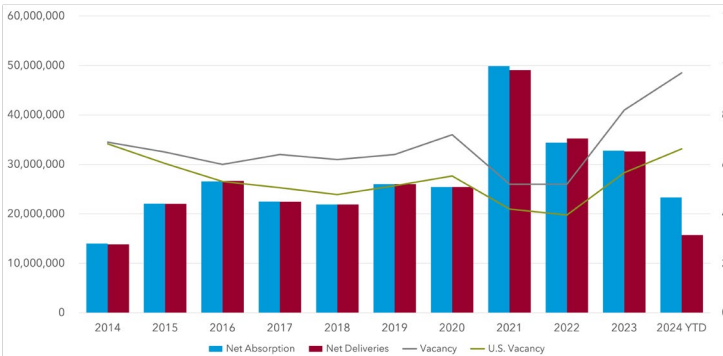
### INDUSTRIAL MARKET OVERVIEW

ADAM GRAHAM, *Principal*

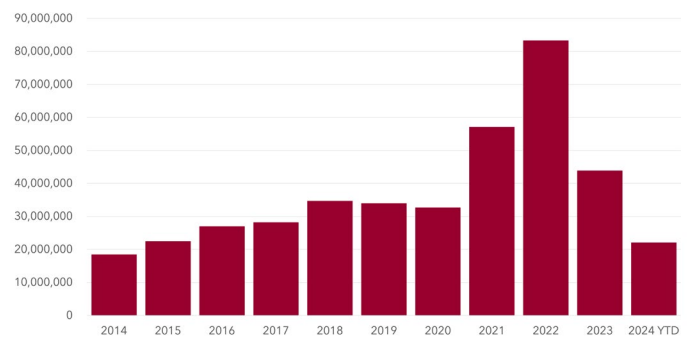
The Dallas-Fort Worth industrial market is experiencing a significant shift, characterized by rapid inventory growth and a notable increase in vacancy rates. With a vacancy rate of 9.7% as of the beginning of the fourth quarter, this is one of the highest levels seen in the last decade, largely driven by supply, including an increase in sublease space. Since last year, over 106 million square feet of new space has been added, with nearly half still available for lease. Although there has been a slowdown in deliveries, creating an opportunity to absorb the excess inventory, the current high-vacancy environment has shifted negotiating power to tenants. As new deliveries slow and tenant demand is expected to rise in 2025, the market dynamics should stabilize.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	23,308,125	26,904,573	24,640,808	32,767,966	37,167,171
◀▶ Vacancy Rate	9.5%	9.5%	9.3%	8.2%	7.5%
◀▶ Avg NNN Asking Rate PSF	\$9.74	\$9.74	\$9.69	\$9.54	\$9.35
▲ Sale Price PSF	\$113.00	\$111.00	\$111.00	\$110.00	\$110.00
◀▶ Cap Rate	6.7%	6.7%	6.7%	6.6%	6.5%
▼ Under Construction SF	22,400,000	22,800,000	33,600,000	33,600,000	43,700,000
◀▶ Inventory SF	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000	1,100,000,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
16101 Wolff Xing Justin, TX	1,228,350 SF	\$126,000,000 \$103.00 PSF	Ponte Gadea USA DHL	Class A
504 Westport Parkway Haslet, TX	677,429 SF	\$73,469,729 \$108.00 PSF	James Campbell Co. Clarion Partners	Class A
402 Westport Parkway Haslet, TX	205,136 SF	\$23,630,271 \$115.00 PSF	James Campbell Co. Clarion Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9449 Silver Creek Road Fort Worth, TX	1,108,938 SF	Majestic	Google	Technology
1001 Old Burlison Road Fort Worth, TX	800,000 SF	Hillwood	Dick's Sporting Goods	Retail
1421 N. Cockrell Hill Road Dallas, TX	636,480 SF	LINK	USPS	Logistics

