



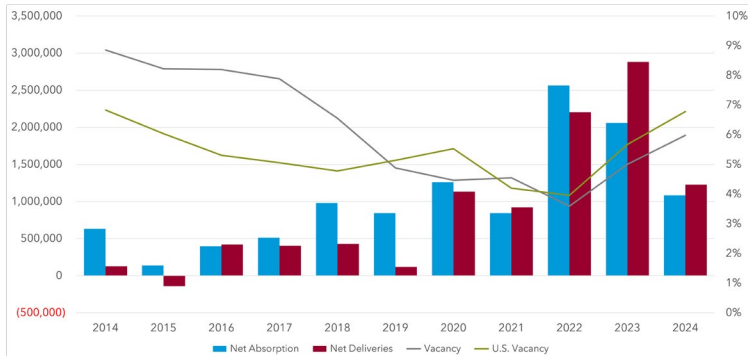
INDUSTRIAL MARKET OVERVIEW

SCOTT HADLEY, *Vice President, Principal*

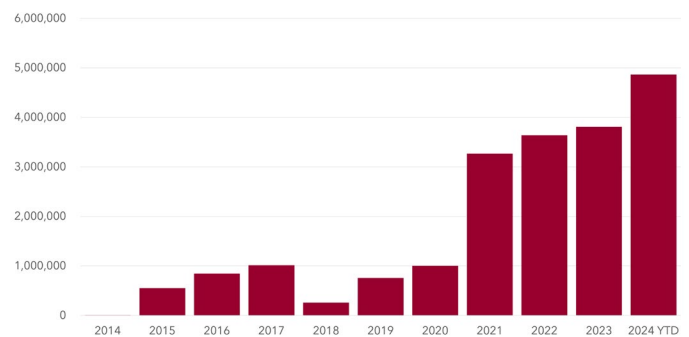
The Durham industrial market demonstrated solid performance in Q4 2024, with net absorption at 1,084,319 SF, slightly below Q3's 1,178,003 SF. The vacancy rate remained stable at 5.98%. Average NNN asking rents decreased to \$11.32 per SF compared to \$11.60 in Q3, indicating competitive pricing. Construction activity surged, with 4,865,112 SF underway, reflecting investor confidence in the region. Notable transactions included a 68,957 SF lease at 3550 Brightleaf Ln and a \$50 million sale of 3100 Jim Thorpe Hwy. Market fundamentals remain strong, with healthy demand and significant new developments in progress.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	1,084,319	1,178,003	1,362,918	1,731,066	2,058,150
▲ Vacancy Rate	5.98%	5.94%	6.50%	6.29%	5.00%
▼ Avg NNN Asking Rate PSF	\$11.32	\$11.60	\$11.53	\$11.51	\$11.36
◀ ▶ Sale Price PSF	\$121	\$112	\$145	\$135	\$153
◀ ▶ Cap Rate	7.68%	7.34%	7.43%	7.40%	7.34%
▼ Under Construction SF	4,865,112	2,888,232	3,113,275	3,180,320	3,809,720
▲ Inventory SF	54,972,032	54,002,769	53,142,318	51,929,860	50,995,260

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3100 Jim Thorpe Hwy* Durham, NC	500,000 SF	Undisclosed	Tratt Properties LLC Blue Vista / Weston, Inc.	Class A
3100 Jim Thorpe Hwy* Durham, NC	430,256 SF	Undisclosed	Tratt Properties LLC Blue Vista / Weston, Inc.	Class A

* Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3550 Brightleaf Lane Apex, NC	68,957 SF	Beacon Partners	Undisclosed	Undisclosed
1111 Neville Street Durham, NC	39,673 SF	Norwich Realty Services	Undisclosed	Undisclosed
1500 E. Club Boulevard* Durham, NC	27,628 SF	Private Owner	Undisclosed	Undisclosed

* Lee & Associates Deal

