



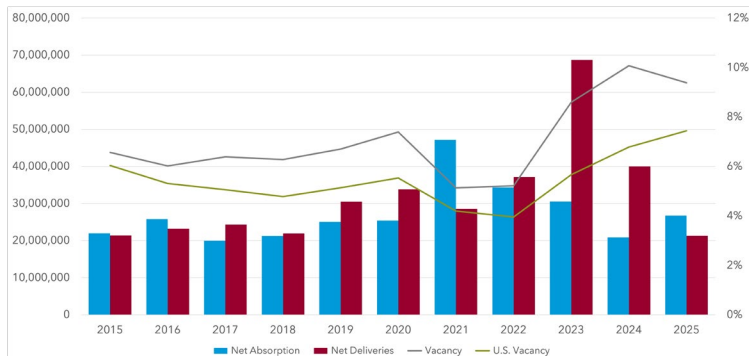
INDUSTRIAL MARKET OVERVIEW

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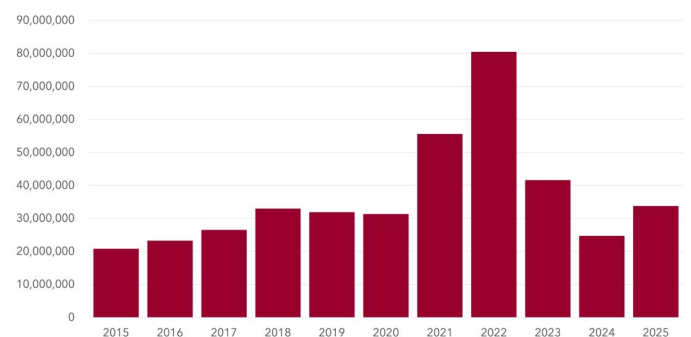
The Dallas-Fort Worth industrial market, excluding flex product, closed Q4 2025 with stable and improving fundamentals. Vacancy declined to 9.4%, continuing a gradual downward trend from prior quarters as tenant demand remained steady. Twelve-month net absorption strengthened to 27.2 million SF, signaling renewed leasing momentum across the region. Average NNN asking rents increased to \$9.25 PSF, reflecting sustained pricing power, while sale pricing rose to \$142 PSF, underscoring continued investor confidence. Development activity remained elevated, supporting the region's long-term growth outlook. Overall, the market continues to exhibit resilience, supported by healthy absorption, rent growth, rising valuations, and a balanced supply pipeline.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Absorption Units	27,182,494	22,741,171	24,302,262	26,939,642	20,857,810
▼ Vacancy Rate	9.40%	9.50%	9.60%	9.60%	10.10%
▲ Avg NNN Asking Rent PSF	\$9.25	\$8.95	\$8.91	\$8.51	\$8.71
▲ Sale Price PSF	\$142.00	\$140.00	\$137.00	\$135.00	\$128.00
▼ Cap Rate	6.00%	6.50%	5.23%	6.58%	7.17%
▲ Under Construction	33,772,915	32,029,819	29,962,339	29,342,791	24,710,016
▲ Inventory	1,086,231,877	1,079,554,484	1,075,177,791	1,067,416,186	1,064,929,918

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
710 Belleview Street Dallas, TX	1,982,900 SF	Undisclosed	Matthews LBA Logistics	Class C
2601 Petty Place Justin, TX	795,626 SF	Undisclosed	Sterling Investors EQT Real Estate	Class A
1401-1501 E. Pleasant Run Road Wilmer, TX	616,068 SF	Undisclosed	LBA Logistics Greenfield Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2970 Old Fort Worth Road Midlothian, TX	1,320,960 SF	Hillwood	Medline	Manufacturing
3486 Cedardale Road Dallas, TX	1,084,460 SF	Trammell Crow Company	Google	Technology
1220 Sage Hill Parkway Forney, TX	1,024,549 SF	Holt Lunsford Commercial Investments	Hayes Company	Transportation and Warehousing

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