



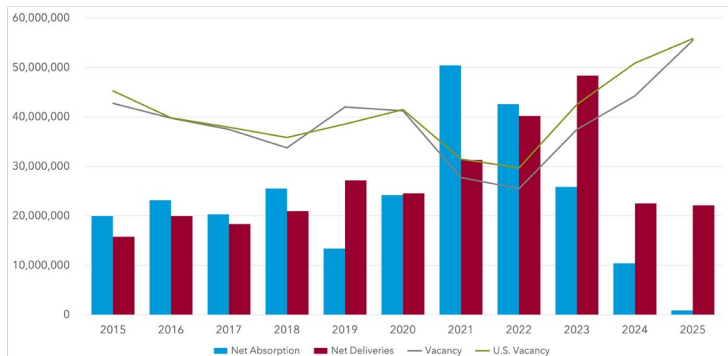
INDUSTRIAL MARKET OVERVIEW

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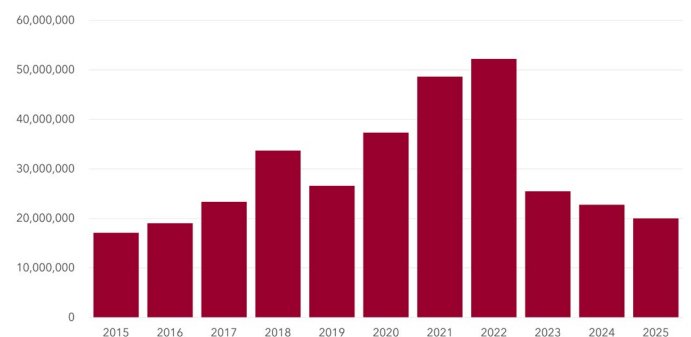
The Eastern Pennsylvania industrial market closed Q4 2025 with fundamentals increasingly pointing toward stabilization and a more optimistic outlook for 2026. Vacancy levels remained elevated following the recent wave of speculative deliveries; however, conditions showed signs of leveling off as absorption stayed positive and construction activity continued to slow. Steady tenant demand for modern, well-located logistics and manufacturing space. A key highlight underscoring this demand was the DrinkPak build-to-suit transaction in the HRP Bellwether District, where the company committed to approximately 1.47 million SF. This transaction reinforced the long-term attractiveness of Eastern Pennsylvania for large-scale manufacturing users. The market appears to be positioned for improving balance, stronger absorption, and gradually tightening conditions as the region moves into 2026.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	898,075	2,718,158	8,775,914	8,716,975	10,427,117
◀ ▶ Vacancy Rate	7.40%	7.40%	6.90%	6.30%	5.90%
▲ Avg NNN Asking Rate PSF	\$8.34	\$8.26	\$8.43	\$8.37	\$8.43
▲ Sale Price PSF	\$129.00	\$89.00	\$96.00	\$85.00	\$113.00
▼ Cap Rate	6.17%	8.50%	7.88%	7.28%	7.42%
▲ Under Construction SF	20,007,951	20,008,850	17,745,582	20,144,076	22,750,615
▲ Inventory SF	1,325,334,383	1,320,823,517	1,316,119,027	1,310,944,661	1,303,176,942

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1300 Corporate Way Olyphant, PA	1,000,000 SF	\$133,350,000 \$133.35 PSF	EQT Real Estate Cabot Properties & Endurance R.E. Grp	Class A
8032 Route 183 Bernville, PA	809,420 SF	\$121,000,000 \$149.49 PSF	EQT Real Estate Core5 Industrial Partners	Class A
11601 Roosevelt Boulevard Philadelphia, PA	465,405 SF	\$94,500,000 \$203.05 PSF	Principle Real Estate Investors Ares Mgmt/NorthPoint Dev	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3144 West Passyunk Avenue Philadelphia, PA	1,472,450 SF	Hilco Redevelopment Partners	DrinkPak	Manufacturing
251 Westwood Highway Tremont, PA	1,005,182 SF	Panattoni	Amazon	Retailer
100 Crossings Drive Burlington, NJ	750,787 SF	MRP Industrial	CIRRO	Transportation & Warehousing

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