



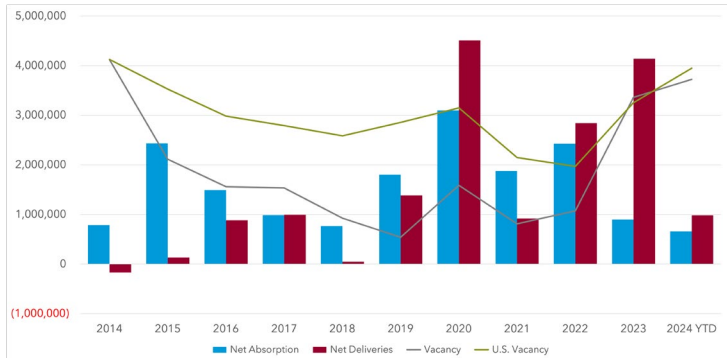
**INDUSTRIAL MARKET OVERVIEW**

WILL JUDY, Broker

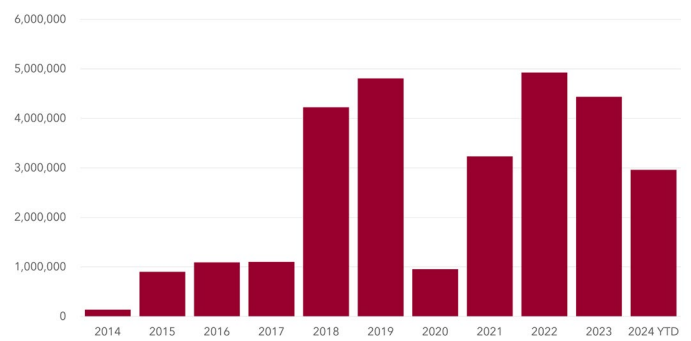
Raleigh's industrial market shows a cooling trend with rising vacancy rates at 7.1%, above the U.S. average of 6.6%. Over the past year, 4.4 million SF was delivered, and 2.8 million SF is under construction, half of which is released. With this surge in new construction, vacancy rates are expected to continue rising. Lease rates have plateaued, and cap rates have increased. Most recent transactions have involved local investors or users, with the majority being smaller transactions. Net absorption has been 810,000 SF in the past 12 months, below the market's historical average. Demand continues to concentrate in Southeast and Southwest Wake County.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	979,307	1,091,675	898,187	716,138	2,625,019
◀▶ Vacancy Rate	6.3%	6.3%	5.8%	5.2%	3.7%
▲ Avg NNN Asking Rate PSF	\$12.13	\$11.97	\$11.82	\$11.63	\$11.43
▼ SF Under Construction	2,961,786	3,608,941	4,434,440	5,335,737	6,436,131
▲ Inventory SF	104,711,812	103,188,121	102,362,622	101,096,850	99,925,690

**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**UNDER CONSTRUCTION**



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
600 S. Greenfield Parkway Garner, NC	160,380 SF	\$27,500,000 \$171.47 PSF	Wake Cnty Board Alcoholic Control Wigeon Capital LLC	Class A
7300 ACC Boulevard Raleigh, NC	175,275 SF	\$21,300,000 \$121.52 PSF	Royal Oak Realty Trust SMT, Inc.	Class B
4501 Waterfield Drive - Bldg 2* Garner, NC	57,600 SF	\$13,213,098 \$229.39 PSF	Foxfield Wigeon Capital LLC	Class A

\*Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2405 Innovation Loop Youngsville, NC	169,940 SF	Summit Real Estate Group	Undisclosed	Undisclosed
5100 Jones Sausage Road Garner, NC	75,669 SF	Beacon Development Company	Undisclosed	Undisclosed
800 N. Greenfield Parkway Garner, NC	50,756 SF	Prologis, Inc.	Undisclosed	Undisclosed



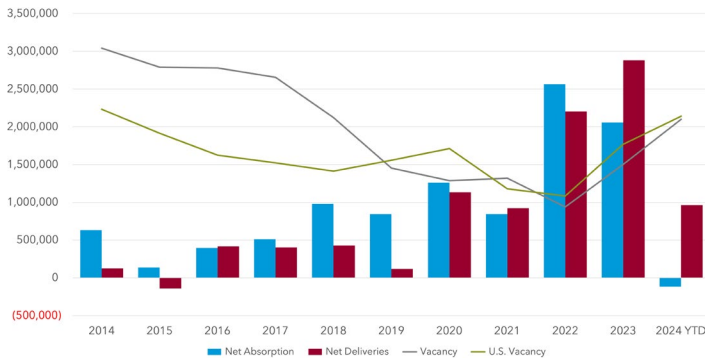
### INDUSTRIAL MARKET OVERVIEW

WILL JUDY, *Broker*

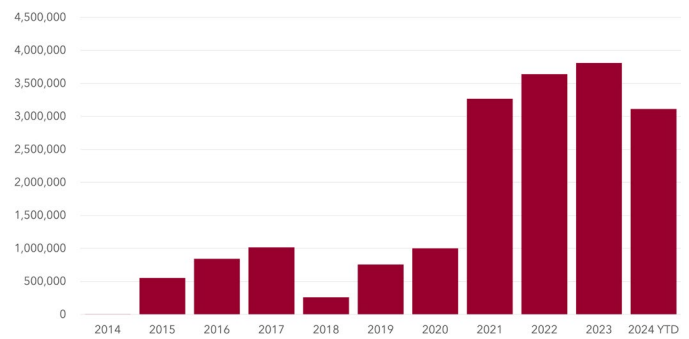
Demand for industrial space in the Durham area exceeds national averages, driven largely by economic growth fueled by the Research Triangle. This area constitutes 45% of the market's inventory, which includes a significant amount of flex space used for life-science research, development, and lab space. E-commerce and other distribution operations, notably along interstates 40 and 85, are active. However, deliveries have still outpaced demand causing vacancy rates to rise to 6.5%, while new construction has only declined slightly and remains strong with approximately 3.1 million square feet in the pipeline. High interest rates have reduced sales volume, and recent deals have been smaller, averaging around \$3 million per transaction.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	1,362,918	1,731,066	2,058,150	2,379,543	2,523,499
▲ Vacancy Rate	6.50%	6.29%	5.00%	4.58%	5.07%
▲ Avg NNN Asking Rate PSF	\$11.53	\$11.51	\$11.36	\$11.18	\$10.99
▼ SF Under Construction	3,113,275	3,180,320	3,809,720	3,911,370	2,864,293
▲ Inventory SF	53,142,318	51,929,860	50,995,260	50,867,859	50,304,936

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
933 Ellis Road Durham, NC	274,370 SF	\$53,200,000 \$193.90 PSF	EastGroup Properties, Inc. Trinity Capital Advisors	Class A
920 E. Raleigh Street Siler City, NC	119,044 SF	\$3,800,000 \$31.92 PSF	Hunt Forest Resources David Kargarzadeh	Class B
712 Ellis Road Durham, NC	35,306 SF	\$3,037,500 \$86.03 PSF	Littlewood Grey Johnson Brothers Liquor Company	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3450 Hopson Road Durham, NC	340,200 SF	Undisclosed	Undisclosed	Undisclosed
6056 W. Ten Road Mebane, NC	35,559 SF	Al Neyer	Undisclosed	Undisclosed
3399 Durham Road Roxboro, NC	9,488 SF	Gold Empire Holdings	Undisclosed	Distribution