



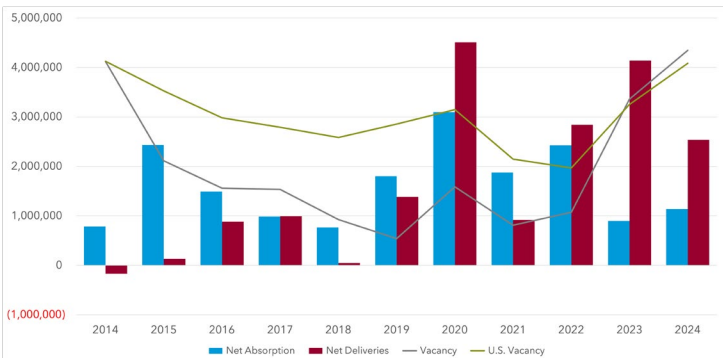
INDUSTRIAL MARKET OVERVIEW

SCOTT HADLEY, Vice President, Principal

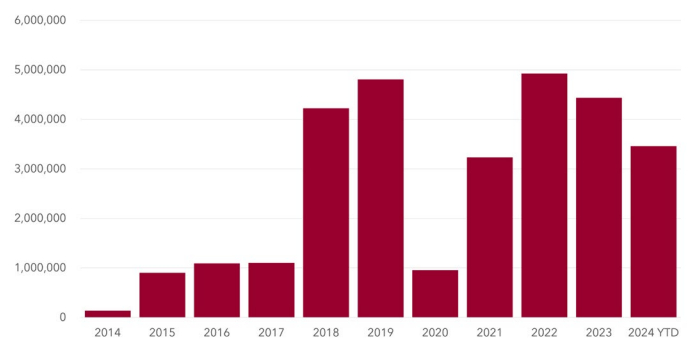
The Raleigh industrial market remained strong in Q4 2024, with net absorption at 1,137,777 SF, consistent with Q3 levels of 1,148,858 SF. The vacancy rate increased slightly to 7.13%, up from 6.98%, as new supply entered the market. Average NNN asking rents continued to rise, reaching \$12.27 per SF compared to \$12.20 in Q3. Construction activity surged, with 3,458,569 SF underway, reflecting robust developer confidence. Notable transactions included a 204,496 SF lease at Holly Springs New Hill Rd and the \$23.4 million sale of 1251 Burma St. Market fundamentals point to continued growth amid steady demand.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	1,137,777	1,148,858	979,307	1,091,675	898,187
▲ Vacancy Rate	7.13%	6.98%	6.30%	6.30%	5.80%
▲ Avg NNN Asking Rate PSF	\$12.27	\$12.20	\$12.13	\$11.97	\$11.82
▼ Sale Price PSF	\$132	\$137	\$161	\$129	\$161
▲ Cap Rate	8.27%	8.04%	8.07%	8.06%	7.99%
▲ Under Construction SF	3,458,569	2,672,898	2,961,786	3,608,941	4,434,440
▲ Inventory SF	105,621,642	105,124,889	104,711,812	103,188,121	102,362,622

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1251 Burma Street Apex, NC	234,000 SF	\$43,600,000 \$186.32 PSF	LaSalle Investment Management Rockpoint	Class A
1517 S. Brightleaf Boulevard Smithfield, NC	78,805 SF	\$3,500,000 \$44.41 PSF	KeKe's Properties, Inc. Stout Ventures	Class C
1107 Trinity Road Raleigh, NC	21,236 SF	\$3,375,000 \$158.93 PSF	Beacon Development Company Compatriot Capital	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Holly Springs New Hill Road Holly Springs, NC	204,496 SF	FujiFilm	Fujifilm Diosynth Biotechnologies	Science and Technology
Holly Springs New Hill Road Holly Springs, NC	204,496 SF	FujiFilm	Amgen	Biotechnology
101 E. Providence Boulevard Selma, NC	135,000 SF	AdVenture Development LLC	VeeTee Foods	Food Service



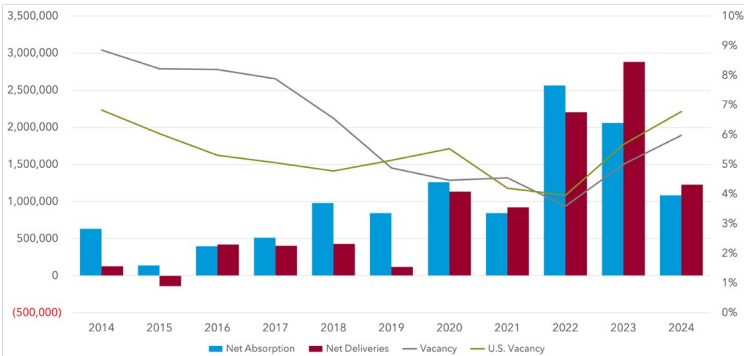
INDUSTRIAL MARKET OVERVIEW

SCOTT HADLEY, *Vice President, Principal*

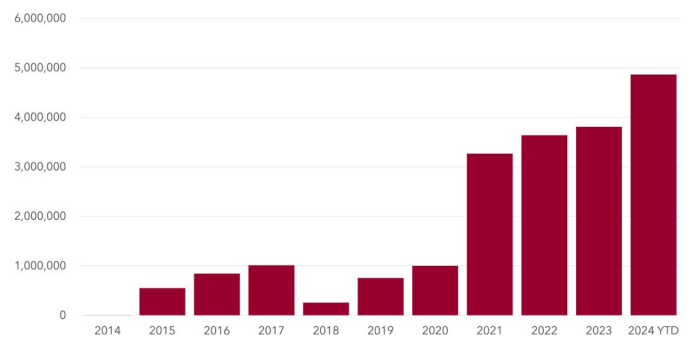
The Durham industrial market demonstrated solid performance in Q4 2024, with net absorption at 1,084,319 SF, slightly below Q3's 1,178,003 SF. The vacancy rate remained stable at 5.98%. Average NNN asking rents decreased to \$11.32 per SF compared to \$11.60 in Q3, indicating competitive pricing. Construction 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

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