



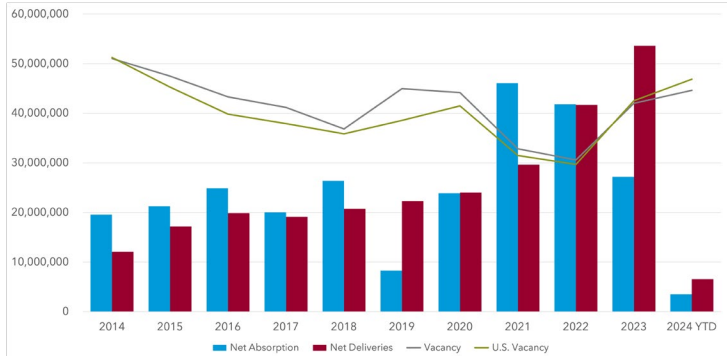
### INDUSTRIAL MARKET OVERVIEW

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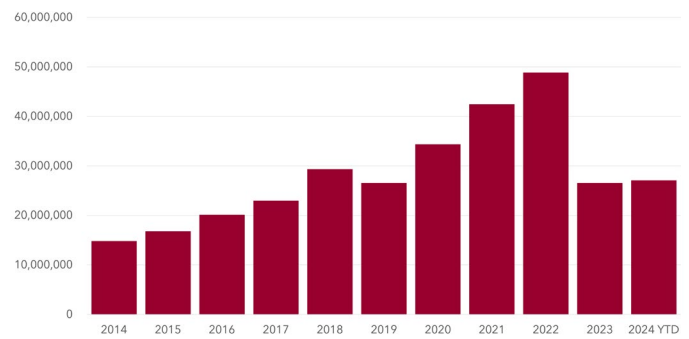
Philadelphia's industrial market continues to experience a steady rise in vacancy, marking the sixth consecutive quarter with a current rate of 5.95%. This trend is attributed to a combination of slowed absorption and a YOY increase in deliveries during the latter half of 2023 and early Q1 of 2024, totaling 6.5 (MSF). Despite this, rental rates increased 5%, driven by robust demand particularly in the core markets within Philadelphia's MSA. Construction activity remains stagnant at 27 MSF as the market focuses on absorbing the existing supply. Nevertheless, the Eastern Region of PA remains one of the nation's core locations, buoyed by high consumer confidence. Collectively, the market maintains its strength and resilience amidst fluctuating conditions.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▼ 12 Mo. Net Absorption SF	21,611,858	24,383,987	29,349,344	37,746,335	42,548,591
▲ Vacancy Rate	5.95%	5.60%	5.30%	4.61%	4.19%
▲ Avg NNN Asking Rate PSF	\$8.74	\$8.36	\$8.56	\$8.86	\$8.65
▲ SF Under Construction	27,090,167	26,571,599	36,239,981	36,667,827	43,508,017
▲ Inventory SF	1,333,655,485	1,324,336,022	1,309,895,769	1,335,822,374	1,317,550,572

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
360 Independence Avenue Mechanicsburg, PA	812,425 SF	\$78,500,000 \$96.62 PSF	New York Life The Lightstone Group	Class A
615 Aviation Road Reading, PA	251,028 SF	\$43,133,020 \$171.83 PSF	ExchangeRight SunCap Property Group	Class A
3127 Lower Valley Road Parkersburg, PA	212,500 SF	\$21,790,000 \$102.54 PSF	Fortress Investment Group Victory Brewing Co.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3327 East Harrisburg Pike Middletown, PA	1,219,021 SF	Core5 Industrial Partners	Amazon	e-commerce
1900 River Road Burlington, NJ	667,560 SF	Clarion	Loctek	3PL
40 Dauphin Drive New Kingstown, PA	600,000 SF	EQT Exeter	Andersen Windows	Manufacturing

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