



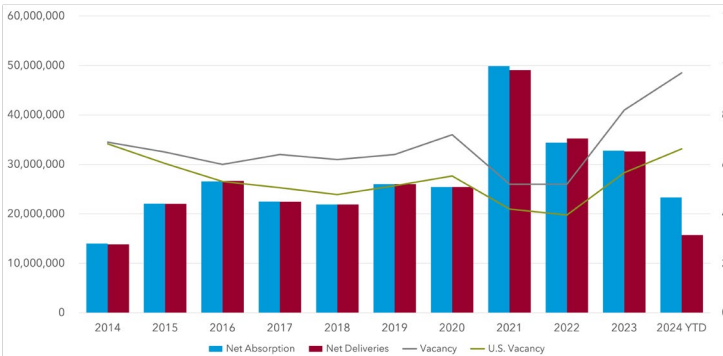
INDUSTRIAL MARKET OVERVIEW

ADAM GRAHAM, *Principal*

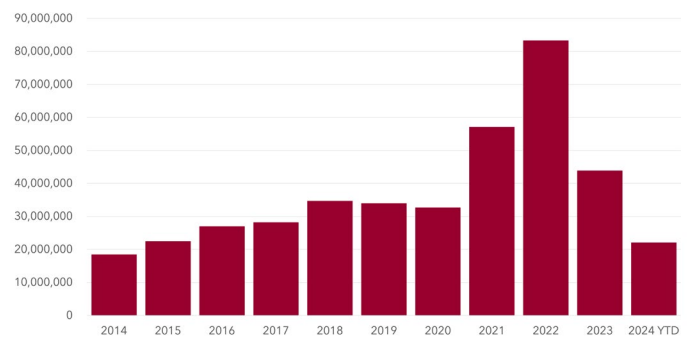
The Dallas-Fort Worth industrial market is experiencing a significant shift, characterized by rapid inventory growth and a notable increase in vacancy rates. With a vacancy rate of 9.7% as of the beginning of the fourth quarter, this is one of the highest levels seen in the last decade, largely driven by supply, including an increase in sublease space. Since last year, over 106 million square feet of new space has been added, with nearly half still available for lease. Although there has been a slowdown in deliveries, creating an opportunity to absorb the excess inventory, the current high-vacancy environment has shifted negotiating power to tenants. As new deliveries slow and tenant demand is expected to rise in 2025, the market dynamics should stabilize.

| MARKET INDICATORS | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| ▼ 12 Mo. Net Absorption SF | 23,308,125 | 26,904,573 | 24,640,808 | 32,767,966 | 37,167,171 |
| ◀▶ Vacancy Rate | 9.5% | 9.5% | 9.3% | 8.2% | 7.5% |
| ◀▶ Avg NNN Asking Rate PSF | \$9.74 | \$9.74 | \$9.69 | \$9.54 | \$9.35 |
| ▲ Sale Price PSF | \$113.00 | \$111.00 | \$111.00 | \$110.00 | \$110.00 |
| ◀▶ Cap Rate | 6.7% | 6.7% | 6.7% | 6.6% | 6.5% |
| ▼ Under Construction SF | 22,400,000 | 22,800,000 | 33,600,000 | 33,600,000 | 43,700,000 |
| ◀▶ Inventory SF | 1,200,000,000 | 1,200,000,000 | 1,200,000,000 | 1,200,000,000 | 1,100,000,000 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|------------------------------------|--------------|-------------------------------|----------------------------------------|----------------|
| 16101 Wolff Xing Justin, TX | 1,228,350 SF | \$126,000,000 \$103.00 PSF | Ponte Gadea USA DHL | Class A |
| 504 Westport Parkway Haslet, TX | 677,429 SF | \$73,469,729 \$108.00 PSF | James Campbell Co. Clarion Partners | Class A |
| 402 Westport Parkway Haslet, TX | 205,136 SF | \$23,630,271 \$115.00 PSF | James Campbell Co. Clarion Partners | Class A |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|------------------------------------------|--------------|----------|-----------------------|-----------------|
| 9449 Silver Creek Road Fort Worth, TX | 1,108,938 SF | Majestic | Google | Technology |
| 1001 Old Burluson Road Fort Worth, TX | 800,000 SF | Hillwood | Dick's Sporting Goods | Retail |
| 1421 N. Cockrell Hill Road Dallas, TX | 636,480 SF | LINK | USPS | Logistics |

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