



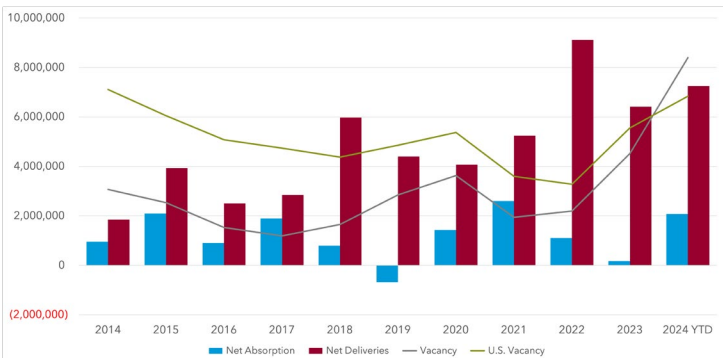
### INDUSTRIAL MARKET OVERVIEW

VANESSA HERZOG, *Principal*

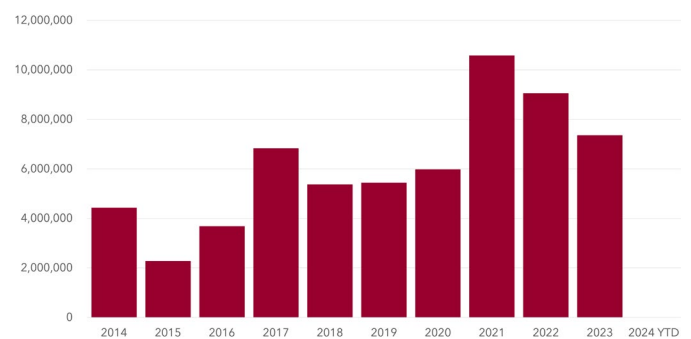
In Q3 2024, the Puget Sound industrial market saw a net absorption decline to -3.2 million square feet, down from -2.1 million square feet in the previous quarter, reflecting a continued softening in demand. The vacancy rate rose slightly to 7.8%, up from 7.4% in Q2, indicating increased space availability. Additionally, the average annual NNN asking rent decreased to \$14.26 per square foot, down from \$14.82. These trends suggest ongoing adjustments in the market as tenant requirements evolve in response to broader economic conditions.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	(3,243,430)	(2,142,214)	(2,688,054)	(2,232,454)	(692,294)
▲ Vacancy Rate	7.80%	7.38%	7.20%	6.30%	5.70%
▼ Avg NNN Asking Rate PSF	\$14.26	\$14.82	\$14.85	\$14.83	\$14.84
▲ Sale Price PSF	\$238.00	\$224.11	\$289.67	\$212.72	\$230.38
▲ Cap Rate	5.72%	5.50%	5.80%	5.10%	0.00%
▲ Under Construction SF	10,910,795 SF	7,754,035	6,713,709	7,786,821	6,787,358
▲ Inventory SF	362,293,871	360,036,235	355,266,605	354,650,713	352,343,906

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3941 & 3703 I Street NW Auburn, WA	385,986 SF	\$83,100,000 \$215.29 PSF	TIAA Cabot Properties, Inc.	Class A
18852-18872 72nd Avenue S Kent, WA	60,530 SF	\$14,800,000 \$244.51 PSF	Nuveen TA Realty	Class C
8602-8714 S. 222nd Street Kent, WA	47,280 SF	\$11,112,000 \$235.03 PSF	Schnitzer Properties Mgmt LLC TA Realty	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
80 5th Avenue, Bldg. 1 Milton, WA	1,026,959 SF	Bridge Development Partners	Boeing	Aerospace
1410 S. 200th Street, Bldg. A SeaTac, WA	174,254 SF	Bridge Development	LSG Sky Chefs	Hospitality
14810 Puyallup Street Sumner, WA	89,250 SF	Prologis	Bestone International	Logistics

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