



Industrial Market Report

Houston - TX

PREPARED BY



Stan Voelkel
Managing Member



INDUSTRIAL MARKET REPORT

Market Key Statistics	1
Leasing	2
Rent	6
Construction	8
Under Construction Properties	10
Sales	12
Sales Past 12 Months	14
Economy	16
Market Submarkets	21
Supply & Demand Trends	25
Rent & Vacancy	27
Sale Trends	29

12 Mo Deliveries in SF

23.2M

12 Mo Net Absorption in SF

38.9M

Vacancy Rate

6.0%

12 Mo Rent Growth

5.2%

Houston's industrial market continues to register record levels of demand, as 38.9 million of direct net SF was positively absorbed over the past year. This is the second-highest amount out of all U.S. metros, trailing only Chicago. This level of demand formation is more than double the previous record high for Houston of 17.5 million SF (set in 2020). Meanwhile, leasing activity also reached a record high in 2021, a signal that the strong pace of absorption will persist into 2022.

This activity is being buoyed by several trends: continuing e-commerce growth in the U.S., rebounding petrochemical activity, record container volumes at the Houston Ship Channel, and nation-leading population and housing supply growth in the Texas Triangle. The Port of Houston is the nation's No. 1 U.S. port in total waterborne tonnage and the busiest waterway in the nation. The Port of Houston also serves the Texas Triangle, the fastest-growing region in the U.S., which added more than 4 million residents over the past decade, over a million more than the next state, Florida. The Texas Triangle contains the state's largest cities (Austin, DFW, Houston, and San Antonio) and is home to most of Texas' population. It is connected by Interstate 45, Interstate 10, and Interstate 35.

To meet the resulting industrial demand, developers have delivered record amounts of new product. Around 22.9 million SF of new space delivered over the past

year, with another 19.0 million SF of industrial space currently underway in Houston. Nearly 75% of current under-construction space is developed on speculation, including two projects that surpass 1 million SF. With demand growth steadily exceeding new supply, the market's vacancy rate has fallen to three-year lows.

Such dynamics have boded well for industrial landlords, which have continued to expand rents for 11 consecutive years. Rental growth hit a 21-year high during 2021 and is anticipated to remain elevated this year before tailing off.

The strength of the Houston market has not been lost on investors, and transaction activity has surged. The buyer pool is much deeper than it was just a few years ago, with national and foreign funds, REITs, and private property companies all in the mix. CoStar's estimated sales volume topped more than \$6.6 billion during 2021, surpassing the 2020 peak by more than 70%.

Houston's affordable cost of living, low taxes, warm weather, and ethnic and economic diversity should continue to spur Houston's population growth, along with demand from logistics and distribution firms. However, headwinds persist such as accelerating costs for construction materials, labor shortages, and the ongoing threat of supply-chain disruption.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	559,811,960	6.3%	\$7.61	9.7%	2,333,926	301,363	16,867,027
Specialized Industrial	120,754,361	3.1%	\$8.87	5.5%	815,760	497,062	1,934,124
Flex	56,801,147	8.7%	\$11.44	11.1%	(47,517)	35,600	246,664
Market	737,367,468	6.0%	\$8.11	9.1%	3,102,169	834,025	19,047,815

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-2.4%	6.3%	5.6%	8.9%	2004 Q1	4.1%	1999 Q1
Net Absorption SF	38.9M	10,658,439	19,027,688	37,213,294	2022 Q1	163,743	2001 Q2
Deliveries SF	23.2M	13,279,172	19,534,877	34,652,246	2020 Q4	3,859,175	2011 Q1
Rent Growth	5.2%	2.2%	3.3%	8.4%	2000 Q2	-1.8%	2010 Q3
Sales Volume	\$3.3B	\$613M	N/A	\$3.2B	2022 Q1	\$131.3M	1999 Q4

Houston set a record for annual net absorption in 2021, registering nearly 33 million SF of positive net absorption for the year. Leasing activity, too, reached an all-time high of 47 million SF, nearly double the previous five-year average. Vacancies have compressed by more than 200 basis points since 21Q1. A further 28.5 million SF of net absorption slated for this year (2022) should keep the current vacancy rate of 6.0% steady over the near term despite a swathe of new supply coming online.

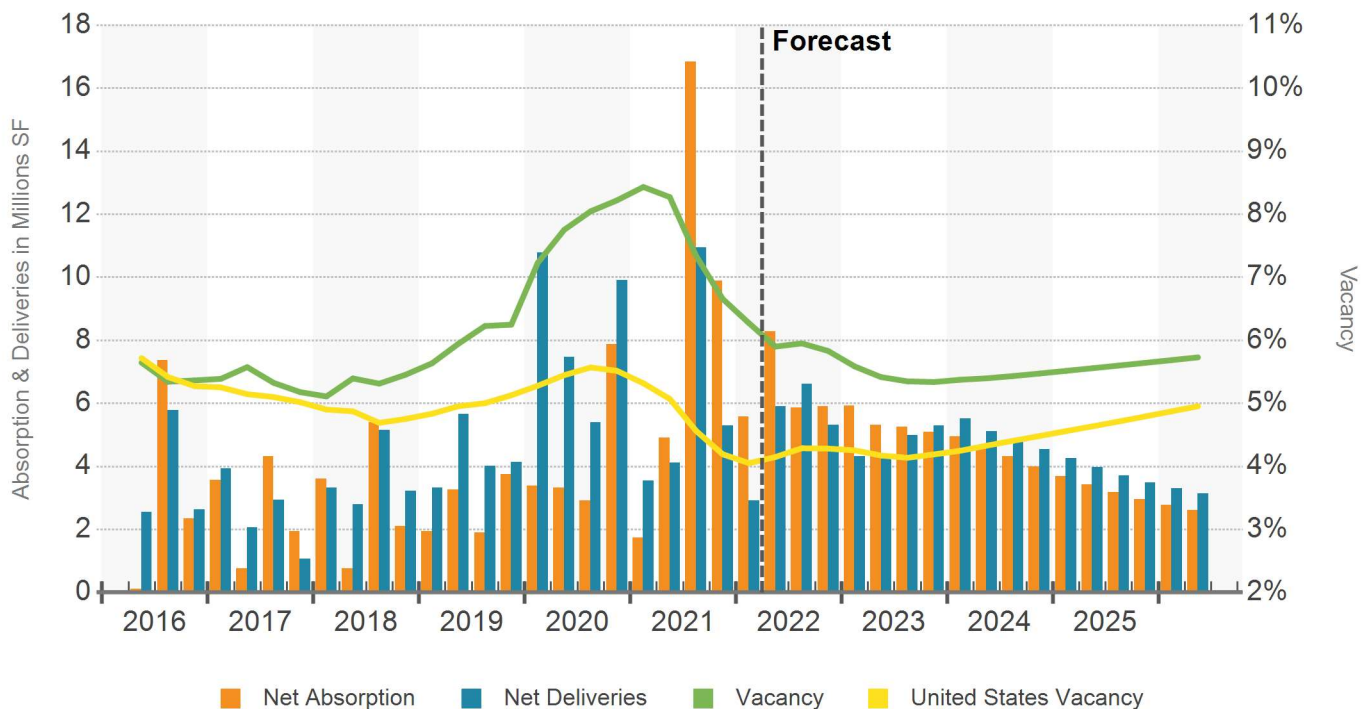
Distribution and third-party logistics firms have been especially active in the market of late, rushing to meet consumers' preference toward online shopping; that has only been magnified by the pandemic. One such example was Macy's lease for over 600,000 SF at the Interchange 249 business park, which is being developed by Houston-based Lovett Industrial and New York-based Clarion Partners. The retailer's new distribution home will anchor the 240-acre business park in Tomball and will have direct access to both the Grand Parkway and Highway 249, allowing for efficient regional and local

distribution.

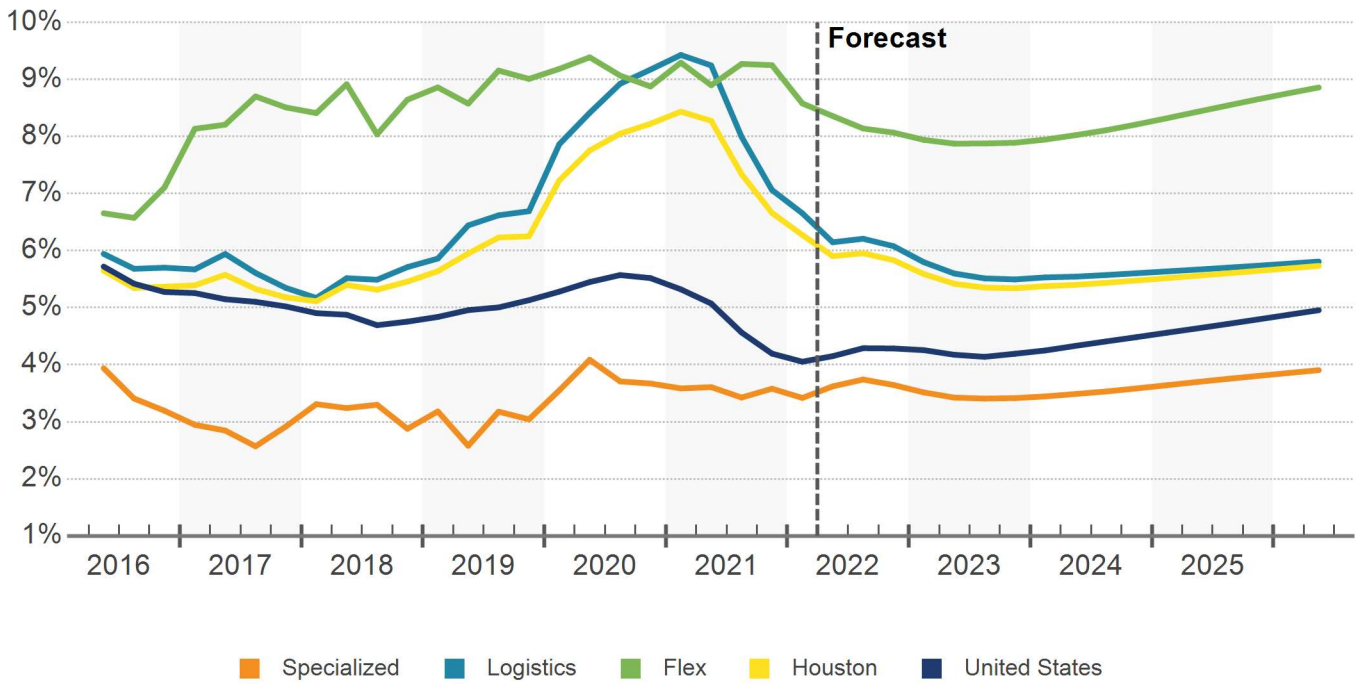
Like other national and super regional distribution hubs, a significant amount of industrial demand in Houston derives from multinational firms taking notable blocks of space. During 22Q3, Walmart will move into its new 1 million-plus-SF build-to-suit distribution center in Baytown to support the retailer's growing supply chain network. Also in 22Q3, Chewy will move into its new 700,000-SF build-to-suit space at the Northpoint 90 Logistics Center.

The East Southeast Far Submarket, which is home to the largest amount of industrial inventory, regularly leads the market when it comes to net absorption. But submarkets like the Woodlands/Conroe and Hwy 290/Tomball Pky have also garnered a significant amount of demand over the past 12 months, unsurprising given that these areas have been prime recipients from the outward population growth in Houston that has occurred over the past 15 years.

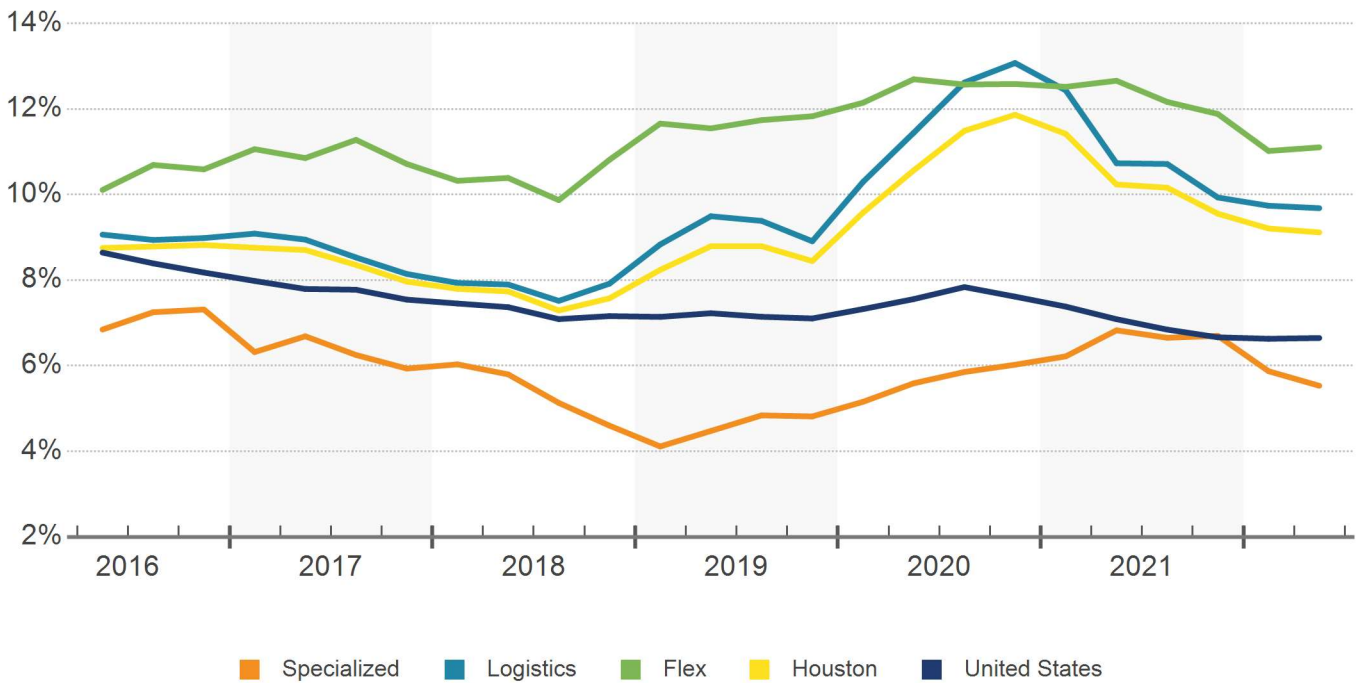
NET ABSORPTION, NET DELIVERIES & VACANCY



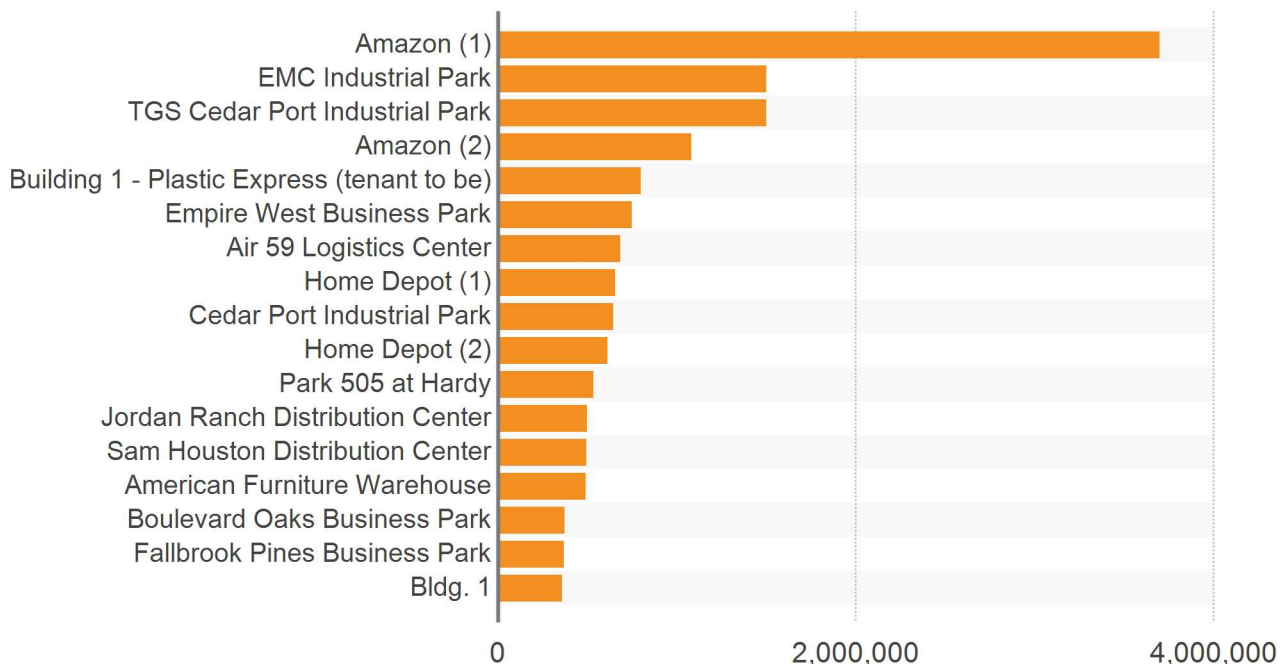
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Amazon (1)	Sugar Land Ind	3,700,000	0	0	0	0	0	3,700,000
EMC Industrial Park	The Woodlands/Conr...	1,500,400	0	0	0	0	0	1,500,400
TGS Cedar Port Industrial Park	East-Southeast Far Ind	1,500,000	0	0	0	0	0	1,500,000
Amazon (2)	Southwest Far Ind	1,081,292	0	0	0	0	0	1,081,292
Building 1 - Plastic Express (ten...)	East-Southeast Far Ind	799,680	0	799,680	0	0	0	799,680
Empire West Business Park	Northwest Outliers Ind	750,775	0	0	0	0	0	750,775
Air 59 Logistics Center	Northeast Hwy 90 Ind	685,400	0	0	0	0	0	685,400
Home Depot (1)	Hwy 290/Tomball Pk...	657,600	0	0	0	0	0	657,600
Cedar Port Industrial Park	East-Southeast Far Ind	643,940	0	0	0	0	0	643,940
Home Depot (2)	The Woodlands/Conr...	612,000	0	0	0	0	0	612,000
Park 505 at Hardy	North Outer Loop Ind	534,000	0	0	0	0	0	534,000
Jordan Ranch Distribution Center	Sugar Land Ind	498,231	0	0	0	0	0	498,231
Sam Houston Distribution Center	Hwy 290/Tomball Pk...	494,800	0	0	0	0	0	494,800
American Furniture Warehouse	The Woodlands/Conr...	492,262	0	0	492,262	0	0	492,262
Boulevard Oaks Business Park	Southwest Far Ind	534,440	0	0	0	0	0	374,462
Fallbrook Pines Business Park	Hwy 290/Tomball Pk...	368,467	0	0	0	0	0	368,467
Bldg. 1	North Fwy/Tomball P...	358,567	0	0	0	0	0	358,567
Subtotal Primary Competitors		15,211,854	0	799,680	492,262	0	0	15,051,876
Remaining Houston Market		722,155,614	43,935,095	4,780,074	2,609,907	0	0	23,806,057
Total Houston Market		737,367,468	43,935,095	5,579,754	3,102,169	0	0	38,857,933

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
10507 Harlem Rd	Sugar Land	3,700,000	Q3 21	Amazon	-	-
4633 Borusan Rd	East-Southeast Far	1,021,440	Q4 21	Walmart	CBRE	CBRE
000 Interchange 249	Northwest Hwy 6	908,853	Q1 22	Macy's	-	Cushman & Wakefield
100 Empire Blvd	Northwest Outliers	750,775	Q2 21	Ferguson	-	Stream Realty Partners...
Highway 90	Northeast I-10	687,902	Q3 21	Chewy	-	-
18210 Eastex Fwy	Northeast Hwy 90	685,400	Q2 21	Living Spaces Furniture Co	-	JLL
4725 E Grand Pky S	East-Southeast Far	643,940	Q2 21	WebstaurantStore	Newmark	NAI Partners
Milner Rd	North Hardy Toll Road	629,186	Q3 21	-	-	CBRE;Prologis, Inc.
1776 E Davis St	The Woodlands/Conroe	612,000	Q2 21	Home Depot	-	-
10565 Greens Crossing Blvd *	North Fwy/Tomball Pky	606,784	Q2 21	HD Supply Holdings, Inc.	-	Transwestern Real Est...
7525 Sutton Dr	East-Southeast Far	507,225	Q1 22	Article	Colliers;Colliers Inter...	NAI Partners
501 Commerce Pky	Northwest Outliers	500,000	Q3 21	Crawford Electric	-	Exeter Property Group
9626 Fallbrook Pines Dr	Hwy 290/Tomball Pky	494,800	Q2 21	Goodman Mfg Company	Stream Realty Partn...	Transwestern Real Est...
Mccarty St & Plummer St	Southeast Outer Loop	457,400	Q2 21	Snow Joe	-	CBRE
1211 Rankin Rd	North Hardy Toll Road	392,480	Q2 22	-	-	Cushman & Wakefield
9431 Bay Area Blvd	East-Southeast Far	353,600	Q2 21	Custom Goods	Newmark	Stream Realty Partners...
10591 Red Bluff Rd	East-Southeast Far	347,860	Q2 21	Custom Goods	Newmark	JLL
5335 Cedar Port Pky	East-Southeast Far	341,000	Q1 22	N F I	Lee & Associates	EQT Exeter
4000 Cedar Blvd	East-Southeast Far	306,980	Q1 22	Supply Chain Warehouses	ESRP	CBRE
4851 Sam Houston Pky	South Hwy 35	305,016	Q3 21	Yokohama Off-Highway Ti...	-	Cushman & Wakefield
8903 Warehouse Center Dr	North Hardy Toll Road	296,106	Q3 21	Amazon	KBC Advisors	JLL
10591 Red Bluff Rd	East-Southeast Far	295,134	Q1 22	-	NAI Partners	JLL
Grand Pky	East-Southeast Far	277,000	Q1 22	-	-	Boyd Commercial, LLC...
10650 Okanella St *	Northwest Inner Loop	267,273	Q3 21	DB Schenker	-	Prologis, Inc.;Transwes...
14700 North Fwy	North Hardy Toll Road	267,170	Q1 22	-	-	Boyd Commercial, LLC...
14611 Tomball Pky	Hwy 290/Tomball Pky	255,704	Q4 21	Aurora Pollock	NAI Partners	CBRE
1842 S 16th St	East-Southeast Far	247,240	Q3 21	Article	Colliers	Colliers;Prologis, Inc.
15789 Aldine Westfield Rd	North Hardy Toll Road	219,534	Q1 22	WSS Distribution	-	EQT Exeter
0 Spring Stuebner Rd	The Woodlands/Conroe	219,000	Q2 21	Amazon	-	-
4330 Underwood Rd	East-Southeast Far	216,000	Q4 21	Triton Cargo	-	CBRE
4311 Malone Dr	East-Southeast Far	207,425	Q2 21	Palmer Logistics	-	Carson Companies
8815 Mississippi St	Southeast Outer Loop	207,000	Q3 21	R Warehousing	-	Cushman & Wakefield
1701 S 16th St *	East-Southeast Far	206,369	Q1 22	Overland Distribution, Inc.	-	Newmark
2700 East Fwy	East-Southeast Far	205,878	Q1 22	Petroleum Service Corpor...	-	JLL
6315 West by Northwest Blvd *	Northwest Inner Loop	201,600	Q2 21	RR Donnelley & Sons Co...	CBRE	Transwestern Real Est...
10020 FM 1960 Rd W	Northwest Hwy 6	192,240	Q3 21	PepsiCo	-	Cushman & Wakefield
8705 Citypark Loop	Northeast Hwy 90	191,614	Q1 22	Jaguar Logistics	-	CBRE
3401-3403 Navigation Blvd	Downtown Houston	188,100	Q4 21	Cubeworks	-	Stonelake Capital Partn...
16200 Central Green Blvd *	North Hardy Toll Road	181,067	Q3 21	Gac Shipping	Newmark	-
16275 Tomball Pky	Hwy 290/Tomball Pky	173,900	Q3 21	Target	-	Cushman & Wakefield

*Renewal

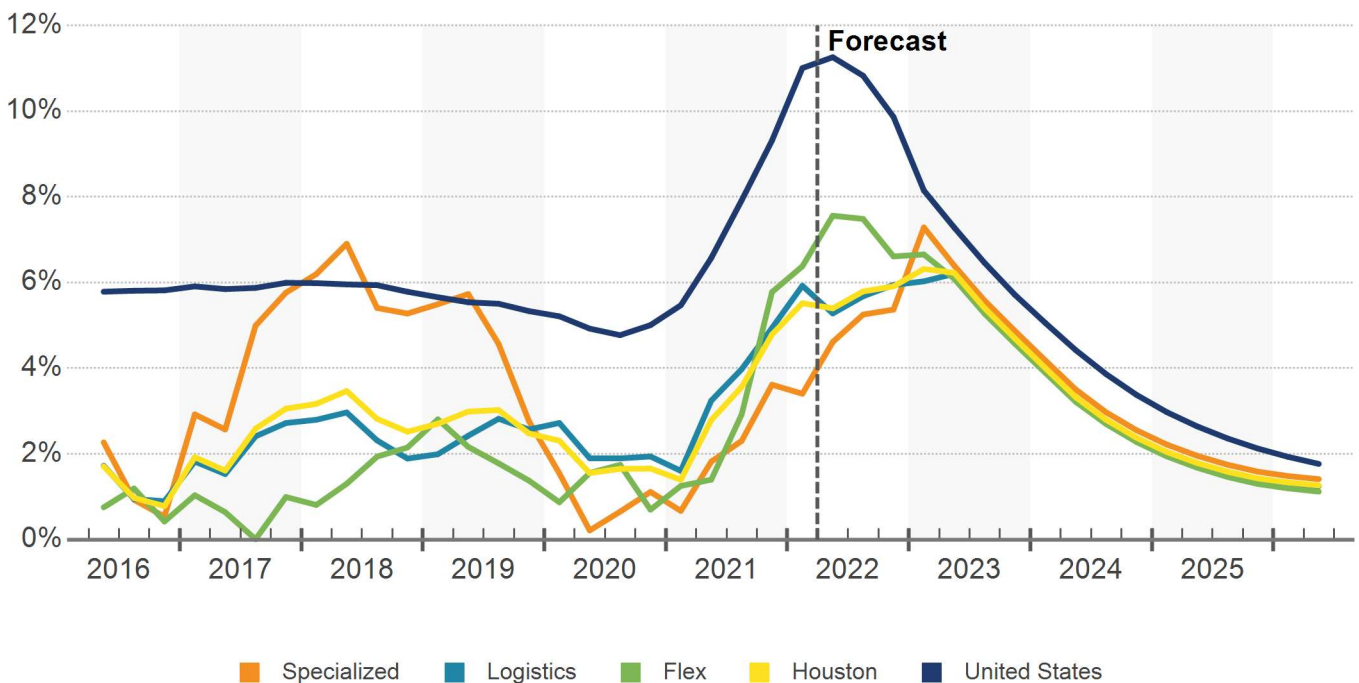
Low vacancies have translated into stronger rent growth, which is running well above its long-term trend, at an annual growth rate of 5.2%, though underperforming the national average of 10.8%. With no zoning and relatively lower barriers to entry for new development, the recent supply wave continues to weigh on rent growth compared with other markets. Looking to the months ahead, under CoStar's Base Case, rent growth clocks in at 6.4% for the year in 2022, comfortably above expectations for the local office (2.2%) and retail (4.2%) sectors.

From a geographic perspective, the strong pace of rent growth has been prevalent throughout the Houston region, as each of the area's 29 submarkets have recorded rent growth in excess of 4% over the past year,

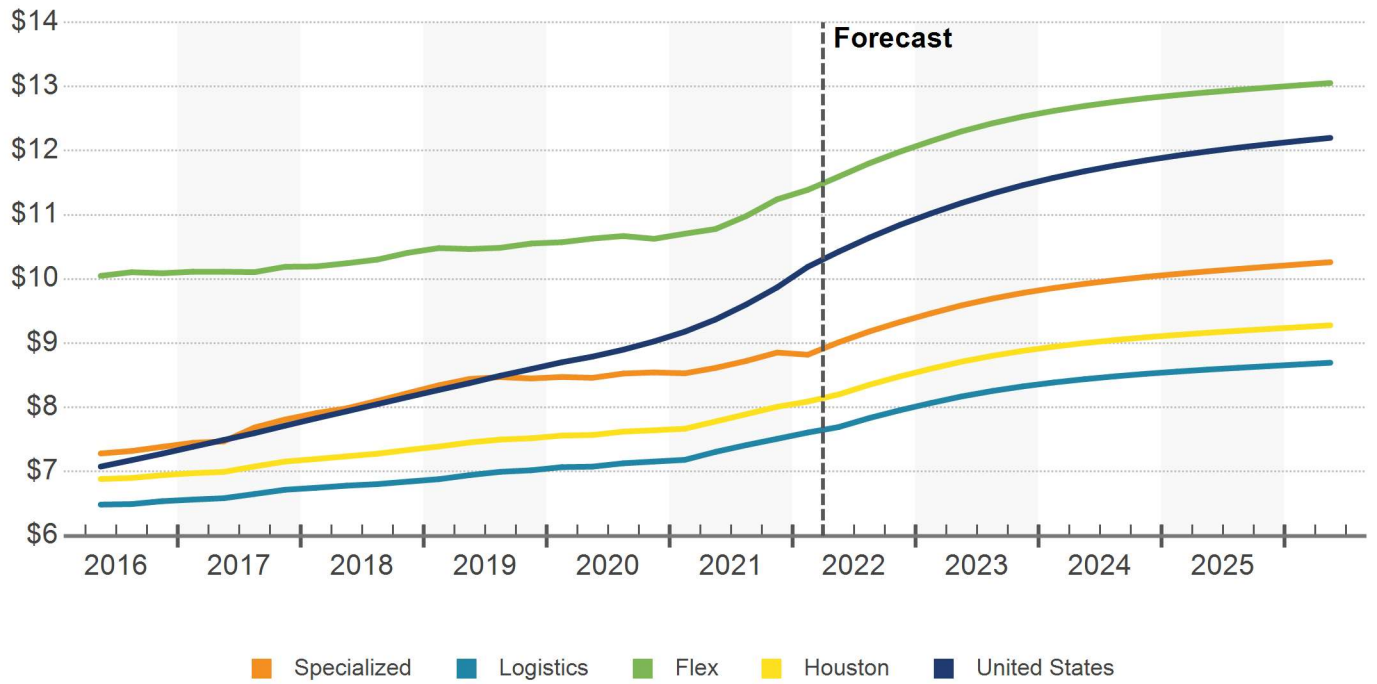
while more than half of all submarkets have seen rent growth higher than 5% during the same time. Submarkets like North Fwy/Tomball Pky and Northwest Inner Loop are among those seeing above 5% rent growth, aided by strong net absorption and limited new supply during this time.

Industrial rents across Houston usually range between \$5/SF and \$10/SF, though they can range higher and lower, depending on location and size. Submarkets such as Southeast Outer Loop and East I-10 Outer Loop have asking rents that are far less expensive than areas such as Southwest Inner Loop and CBD-Northwest Inner Loop, which is in part due to the large swaths of available and affordable land.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



Industrial construction in Houston remains at elevated levels, although it is down from recent years. With 19.0 million SF under construction, Houston no longer ranks in the top 10 for industrial supply underway nationally. Under-construction projects comprise 2.6% of the metro's current inventory, which is below the national benchmark of 3.4%. Approximately 75% of all space underway remains available for lease, but if recent leasing trends persist, this new supply should not have much of an effect on fundamentals.

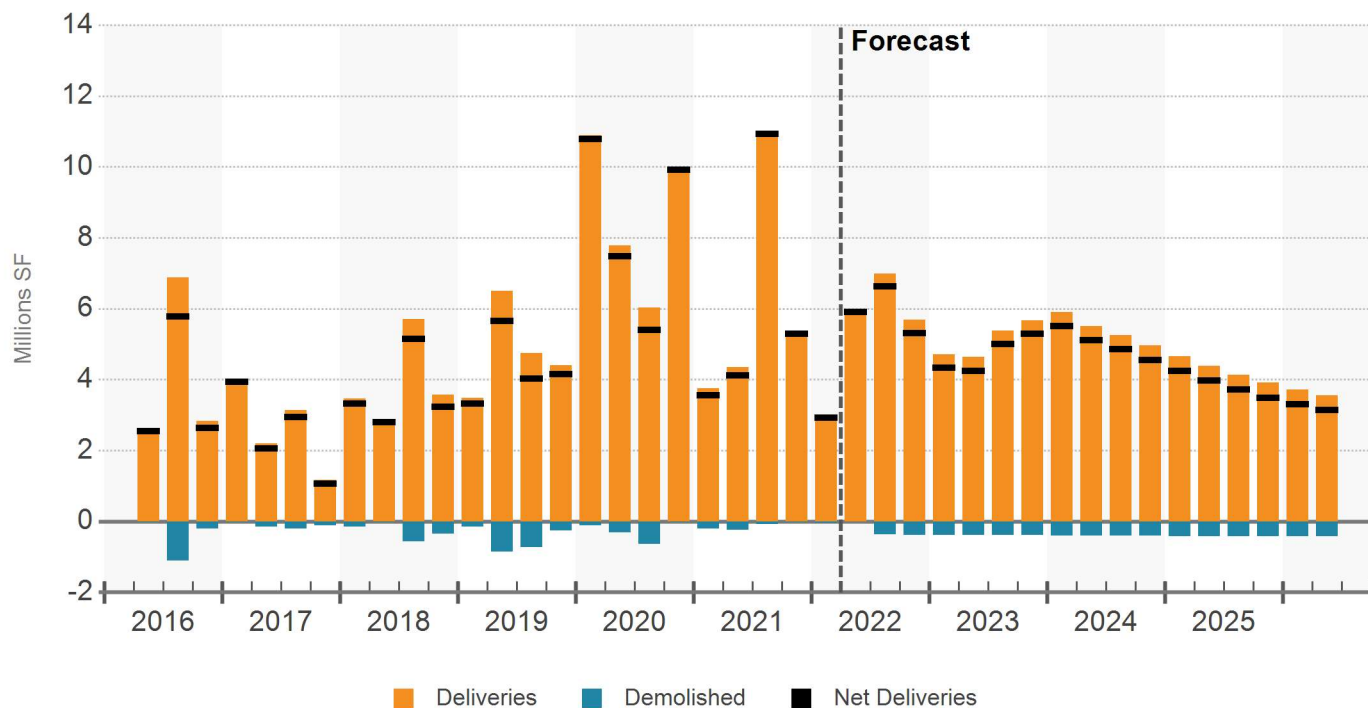
The East-Southeast Far Submarket currently has the most space under construction in Houston. The Cedar Port Industrial Park in Baytown is located in this submarket and is home to some of the largest industrial projects in Houston, including a 1.2 million-SF distribution center that will deliver during 22Q2 and a 500,000-SF distribution center that will deliver during 22Q3. Both of these projects are speculative. Among the largest recent deliveries in Cedar Port, a 800,000-SF

build-to-suit for Plastic Express delivered during 22Q1. And in 21Q4, a 1.5 million-SF build-to-suit for Floor & Decor delivered here.

The Northwest Outliers submarket, which is at the heart of West Houston's demographic growth, is also garnering its fair share of construction, including Stream Realty Partners' 2.3 million SF underway in the Empire West Business Park in Brookshire, a 300-acre development on Interstate 10.

Industrial construction has been a common sight in Houston for many years, as the strength of its job and population trends have not been lost on developers. All told, nearly 200 million SF of space has been added to the market since 2010, expanding its total inventory by 30% and ranking among the top four markets in the country in terms of new supply during this time. Only DFW, Inland Empire, and Chicago have added more space during this time.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	East-Southeast Far	20	4,275	828	19.4%	7	37,189	213,744	4
2	Northwest Outliers	31	3,641	92	2.5%	10	46,883	117,443	7
3	North Hardy Toll Road	7	1,622	779	48.0%	3	45,090	231,712	3
4	Southwest Far	18	1,134	418	36.9%	5	30,821	62,986	9
5	West Outer Loop	12	1,123	470	41.9%	4	33,577	93,579	8
6	Hwy 290/Tomball Pky	8	1,112	131	11.8%	8	39,973	139,041	5
7	Northeast I-10	2	1,003	688	68.6%	1	23,997	501,502	1
8	Northeast Hwy 90	3	753	405	53.8%	2	35,585	251,096	2
9	Sugar Land	6	752	196	26.0%	6	56,433	125,375	6
10	North Fwy/Tomball Pky	13	729	55	7.5%	9	27,823	56,051	10
	All Other	56	2,904	899	31.0%		27,763	51,857	
Totals		176	19,048	4,961	26.0%		31,914	108,226	

Under Construction Properties

Houston Industrial

Properties

Square Feet

Percent of Inventory

Released

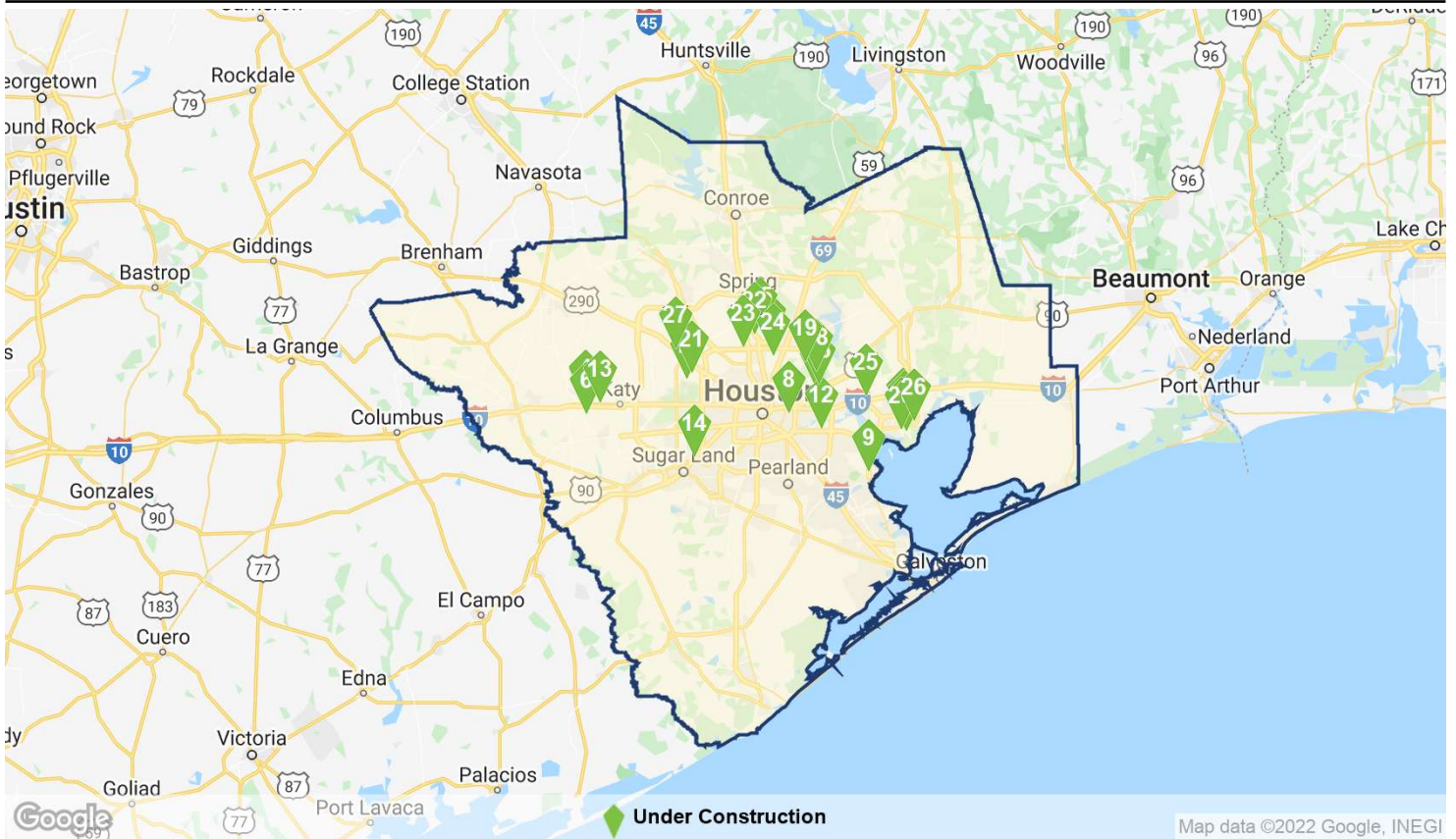
175

19,014,815

2.8%

25.9%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 TGS Cedar Port DC 1 - C... 6363 FM 1405	★★★★★	1,211,620	1	Sep 2021	May 2022	Trans-Global Solutions Inc Trans-Global Solutions Inc
2 Building 9 111 Empire Blvd	★★★★★	1,039,060	1	Oct 2021	Jun 2022	- Stream Realty Partners, LP
3 Building 3 Highway 90	★★★★☆	687,902	1	Dec 2021	Jul 2022	NorthPoint Development Granite REIT Holdings Limited P...
4 Building 4 114 Empire Blvd	★★★★★	666,360	1	Aug 2021	Jun 2022	- Stream Realty Partners, LP
5 Building B2 Milner Rd	★★★★★	629,186	1	Aug 2021	Jun 2022	Prologis, LP. Prologis, Inc.
6 The Uplands Twinwood... Twinwood Pkwy	★★★★☆	546,000	1	Mar 2022	Nov 2022	Clay Development & Construction Clay Development & Construction
7 TGS Cedar Port DC 2 - C... 4407 E Grand Pky S	★★★★★	496,421	1	Jan 2022	Sep 2022	Trans-Global Solutions Inc Trans-Global Solutions Inc

Under Construction Properties

Houston Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Phase II - Building 1 Mccarty St & Plummer St	★ ★ ★ ★ ★	457,400	1	Oct 2021	Oct 2022	NorthPoint Development -
9 Bayport Distribution 5803 Old Highway 146	★ ★ ★ ★ ★	454,600	1	Apr 2022	Feb 2023	- -
10 12104 W Little York Rd	★ ★ ★ ★ ★	424,956	1	Jun 2021	Jun 2022	Urban Construction Southwest Silver Eagle Distributors
11 Building 5 4836 Borusan Road Frd	★ ★ ★ ★ ★	405,600	1	Feb 2022	Oct 2022	Clay Development & Construction -
12 225 Logistics Center 2818 Pasadena Fwy	★ ★ ★ ★ ★	403,066	1	Dec 2021	May 2022	Vigavi Realty LLC Clarion Partners
13 Pederson Logistics Center 574 Pederson Rd	★ ★ ★ ★ ★	343,760	1	Jan 2022	Oct 2022	- -
14 Building 2 12855 S Kirkwood Rd	★ ★ ★ ★ ★	325,028	1	Aug 2021	May 2022	- Crow Holdings Industrial
15 Eastveld Dr	★ ★ ★ ★ ★	318,240	1	Mar 2022	Sep 2022	- -
16 Houston Coldport 7800 Uvalde Rd	★ ★ ★ ★ ★	315,101	1	Oct 2021	Jul 2022	Boomerang Interests LLC Terra Grezza Investments Ltd
17 Northwest Houston Distr... Tanner Road & N Eldridge...	★ ★ ★ ★ ★	313,137	1	Jan 2022	Dec 2022	- IDI Logistics
18 Beltway 8 & E Little York...	★ ★ ★ ★ ★	310,792	1	Dec 2021	Oct 2022	Adkisson Development Adkisson Development
19 Service Wire 10803 W Lake Houston Pky	★ ★ ★ ★ ★	308,043	1	Feb 2022	Oct 2022	Service Wire Company Service Wire Company
20 Blackline Cold Storage FM 1405	★ ★ ★ ★ ★	300,000	1	Apr 2021	Oct 2022	Blackline Cold Storage, LLC Blackline Cold Storage, LLC
21 290 Eight Distribution Ce... 12100 W Little York Rd	★ ★ ★ ★ ★	295,680	1	Aug 2021	May 2022	- -
22 Building 1 (Cross-dock) 17506 E Hardy Rd	★ ★ ★ ★ ★	283,480	1	Aug 2021	Jul 2022	- -
23 Pinto 23 19000 Greens Crossing Blvd	★ ★ ★ ★ ★	282,190	1	Feb 2022	Sep 2022	Griffin Partners, Inc. -
24 Kennedy Greens South... 13400 John F. Kennedy Blvd	★ ★ ★ ★ ★	280,620	1	Dec 2021	Oct 2022	- -
25 7300 Thompson Rd	★ ★ ★ ★ ★	277,235	1	Mar 2022	Dec 2022	- -
26 Cedar Port Freezer Grand Pky	★ ★ ★ ★ ★	277,000	1	Sep 2021	Sep 2022	RealtyLink LLC RealtyLink
27 14415 Fallbrook Dr	★ ★ ★ ★ ★	258,200	1	Sep 2021	May 2022	Trammell Crow Company Clarion Partners
28 Building 3 1215 Rankin Rd	★ ★ ★ ★ ★	235,600	1	Mar 2022	Dec 2023	- Texakota, Inc.

Investment volume in Houston's industrial market remained elevated during 22Q1, though down from the all-time high of approximately \$2.7 billion recorded during 21Q4. CoStar's estimated sales volume was around \$1.3 billion during 22Q1, which is more than 30% above its five-year quarterly average.

Institutional, public REIT, and private equity investors have demonstrated increased interest in the market, accounting for nearly two-thirds of buyers during the past three years and pricing has been on an upward trend.

Despite the recent rise in pricing, the metro's average sale price of \$96/SF is well below the national average of \$140/SF and is comparable with other national distribution markets like Dallas-Fort Worth and Atlanta. Cap rates have steadily compressed over the past decade, and the Houston market average cap rate is roughly 6.6%, only slightly above the national benchmark of 6.3%.

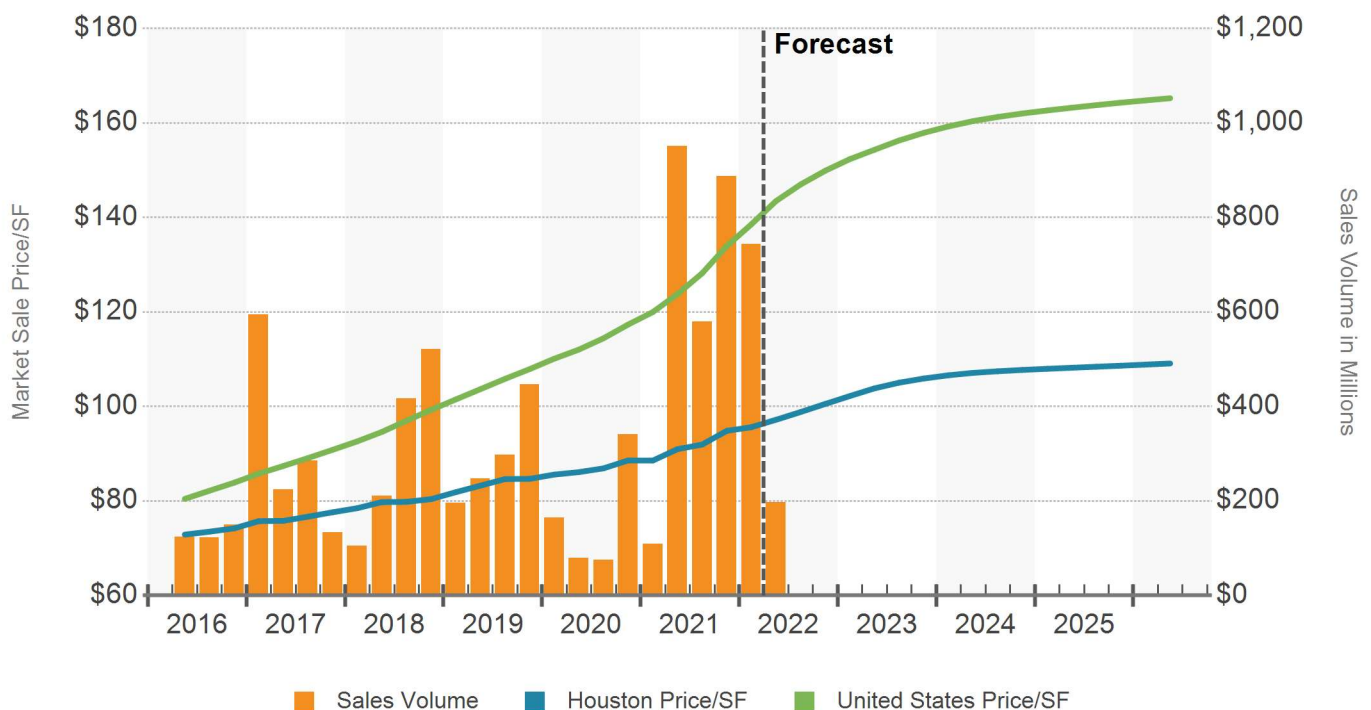
National and institutional investors continue to target large assets with credit tenants secured to long-term leases. For example, during 22Q1, Philadelphia-based The Arden Group acquired Indianapolis-based Citimark Management's 203,000-SF distribution building for an

undisclosed price. The property, which was built in 1999 and renovated in 2014, was fully leased to Ta Chen International, Inc. at the time of sale. CoStar estimates that it traded for about \$14.5 million (\$71/SF) at a 5.7% cap rate.

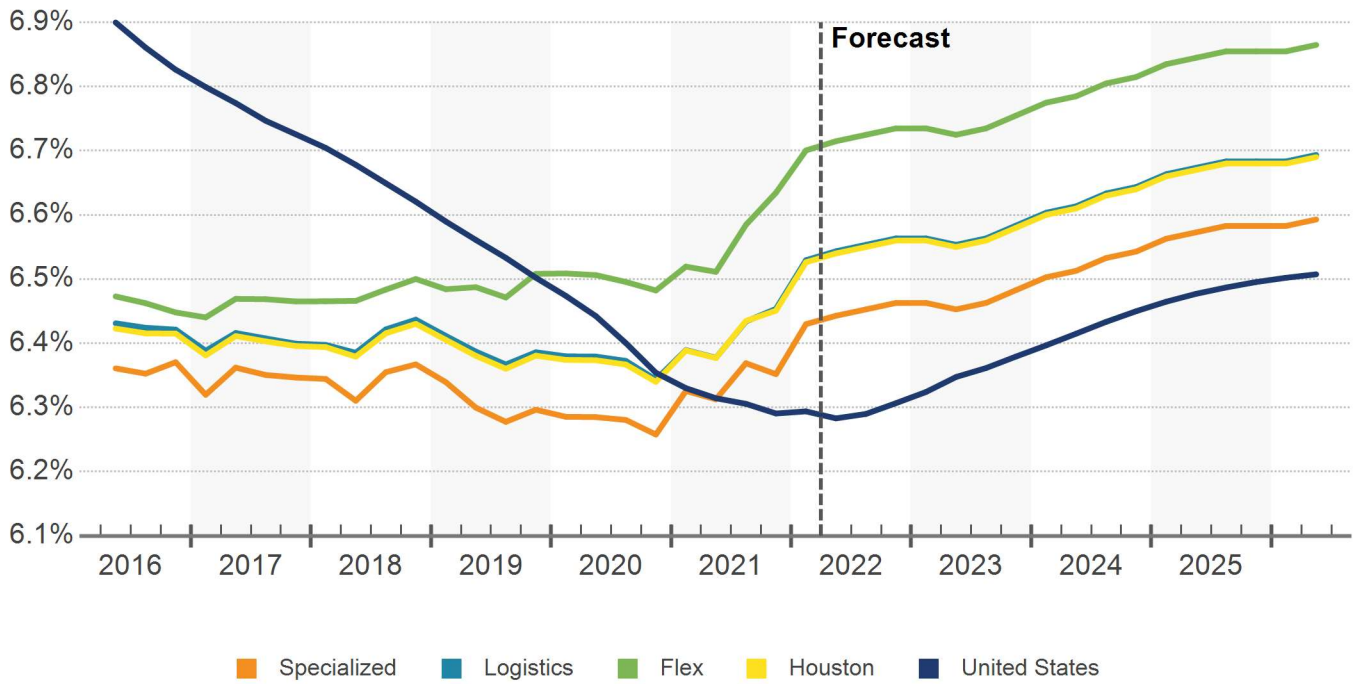
New, well-positioned industrial properties in key submarkets are also garnering plenty of investment interest, regardless of its occupancy. During 22Q1, a private California-based investor purchased Investment & Development Ventures' 184,000-SF distribution property in Katy built in 2021 and completely vacant at the time of sale. CoStar estimates that it traded for about \$12.8 million (\$71/SF) at a 6.1% cap rate.

In terms of inventory turnover, sales activity in Houston last year reached an all-time high, with nearly 10% of its inventory exchanging hands, above the previous peak of 7% recorded during 2018. Similar to last year, sales volume has continued to be boosted by portfolio transactions. During 22Q1, Pennsylvania-based Equus Capital Partners acquired a portfolio of 75 industrial and flex properties totaling 5.4 million SF for approximately \$900 million (\$187/SF) at a 4.3% cap rate from California-based Prologis. About a quarter of these properties were located in Houston.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Houston Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

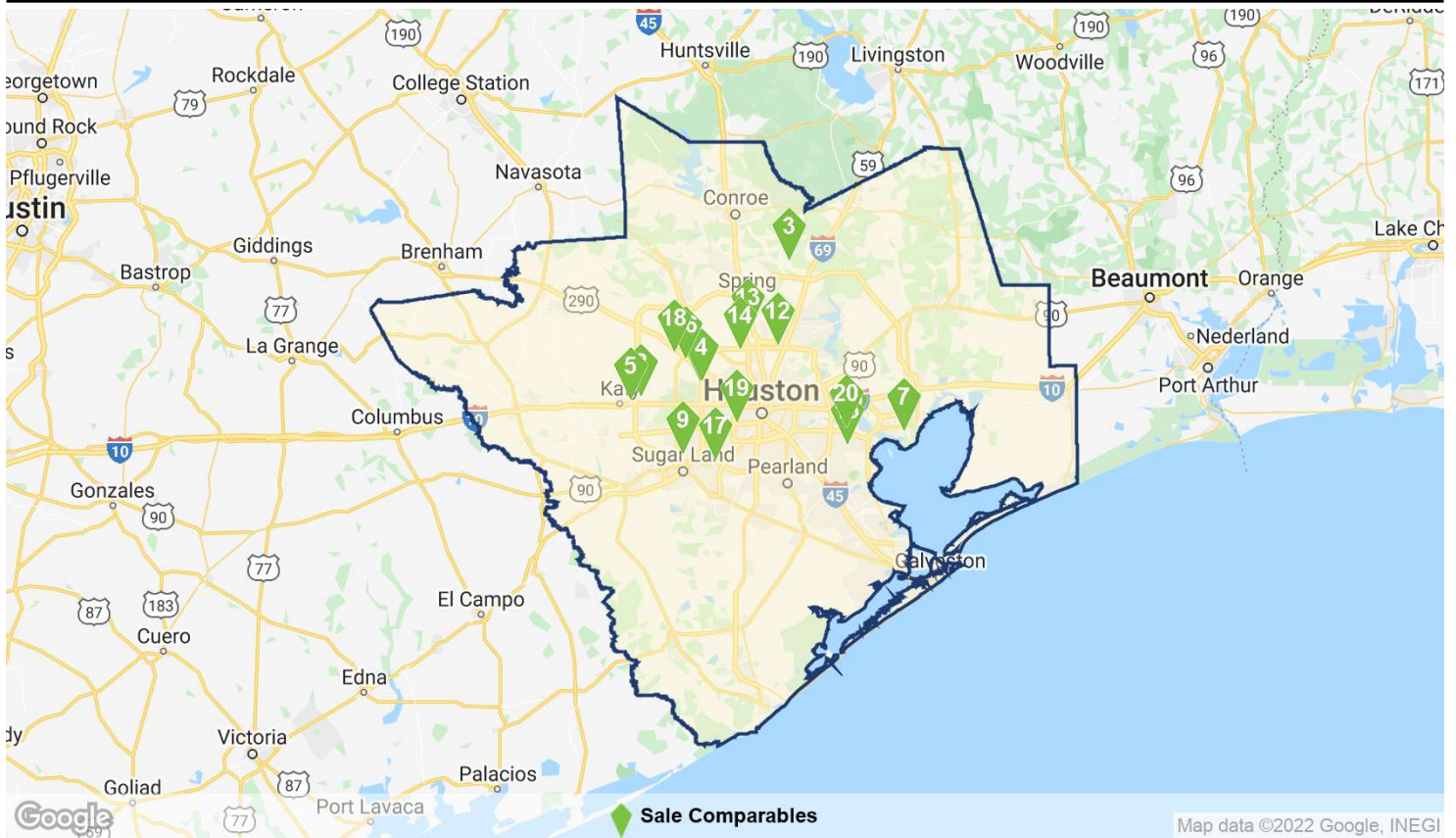
1,709

7.2%

\$119

12.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$120,000	\$8,967,204	\$2,600,000	\$335,467,724
Price/SF	\$17	\$119	\$112	\$591
Cap Rate	3.4%	7.2%	7.3%	11.1%
Time Since Sale in Months	0.0	6.4	6.2	12.0
Property Attributes	Low	Average	Median	High
Building SF	660	41,109	14,544	1,500,596
Ceiling Height	6'	20'1"	18'	60'
Docks	0	5	0	330
Vacancy Rate At Sale	0%	12.0%	0%	100%
Year Built	1882	1990	1986	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Houston Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Building 3 11000 Corporate Centre Dr	★★★★★	2014	640,000	0%	3/1/2022	\$335,467,724	\$524	-
2 Academy Sports Distrib... 1800 N Mason Rd	★★★★★	1976	1,500,596	0%	4/20/2022	\$190,000,000	\$127	-
3 Lowe's Distribution Center 18901 E Industrial Pky	★★★★★	2021	1,500,400	0%	11/4/2021	\$92,580,000	\$62	-
4 Building 1 5150 Westway Park Blvd	★★★★★	2009	162,000	0%	3/1/2022	\$91,565,937	\$565	-
5 99 Cents Only Stores 23623 Colonial Pky	★★★★★	1995	745,948	0%	12/13/2021	\$83,000,000	\$111	5.4%
6 Building II 4830 Borusan Rd	★★★★★	2017	501,020	0%	10/20/2021	\$74,539,408	\$149	-
7 Building I 4762 Borusan Rd	★★★★★	2017	495,462	0%	10/20/2021	\$73,712,515	\$149	-
8 Bldg 1 359 Old Underwood Rd	★★★★★	2007	900,000	11.1%	4/29/2021	\$72,467,992	\$81	-
9 1111-1113 Gillingham Ln	★★★★★	1995	486,263	0%	9/30/2021	\$58,491,713	\$120	-
10 BDS Warehouse Bldg 2 359 Pike Ct	★★★★★	2009	710,200	0%	4/29/2021	\$57,185,297	\$81	-
11 Building B 625 Independence Pky	★★★★★	2020	414,900	22.3%	11/17/2021	\$54,397,628	\$131	-
12 CEVA Logistics 15350 Vickery Dr	★★★★★	1997	441,429	0%	9/30/2021	\$52,217,918	\$118	-
13 CVS Warehouse Distribu... 19802 Imperial Valley Dr	★★★★★	2014	328,020	0%	9/30/2021	\$46,313,457	\$141	-
14 Bldg. 1 10507 Ella Blvd	★★★★★	2020	358,567	0%	10/19/2021	\$41,576,641	\$116	-
15 Underwood Port Logistic... 4600 Underwood Rd	★★★★★	2019	402,648	0%	5/18/2021	\$37,686,000	\$94	-
16 SPX Flow 8800 Westplain Dr	★★★★★	1968	196,800	0%	6/29/2021	\$36,500,000	\$185	-
17 Building I 8520 S Sam Houston Pky W	★★★★★	2015	310,010	0%	6/22/2021	\$36,370,678	\$117	-
18 Building 3 (Traditional W... 10620-10700 Telge Rd	★★★★★	1983	401,753	37.3%	6/24/2021	\$36,097,831	\$90	-
19 CyrusOne Galleria Data... 4201 SW Freeway	★★★★★	1969	112,000	0%	3/1/2022	\$33,558,307	\$300	-
20 Building A 645 Independence Pky	★★★★★	2020	194,610	0%	11/17/2021	\$31,071,927	\$160	-

Houston's economy continues to recover from the effects of the coronavirus pandemic. According to the preliminary March jobs report, Houston had recouped about 99% of the jobs lost during the pandemic. Houston employment fell by about 360,000 jobs from February to April 2020, surpassing the job losses from the '80s oil bust (226,000) and the Great Recession (120,000). The year 2021 ranked as the best job growth year on record for Houston, as the metro added 159,700 jobs. Houston has averaged around 65,000 new jobs annually from 2010 to 2019. Employment growth is anticipated to surpass the national benchmark over the next five years.

The Houston metropolitan area is the fifth-largest in the U.S. Its young population, affordability, warm climate, low taxes, generally pro-business environment, diversity, and culture continue to attract new residents. Over the past decade, the Bayou City has consistently ranked among the top metropolitans in terms of population growth.

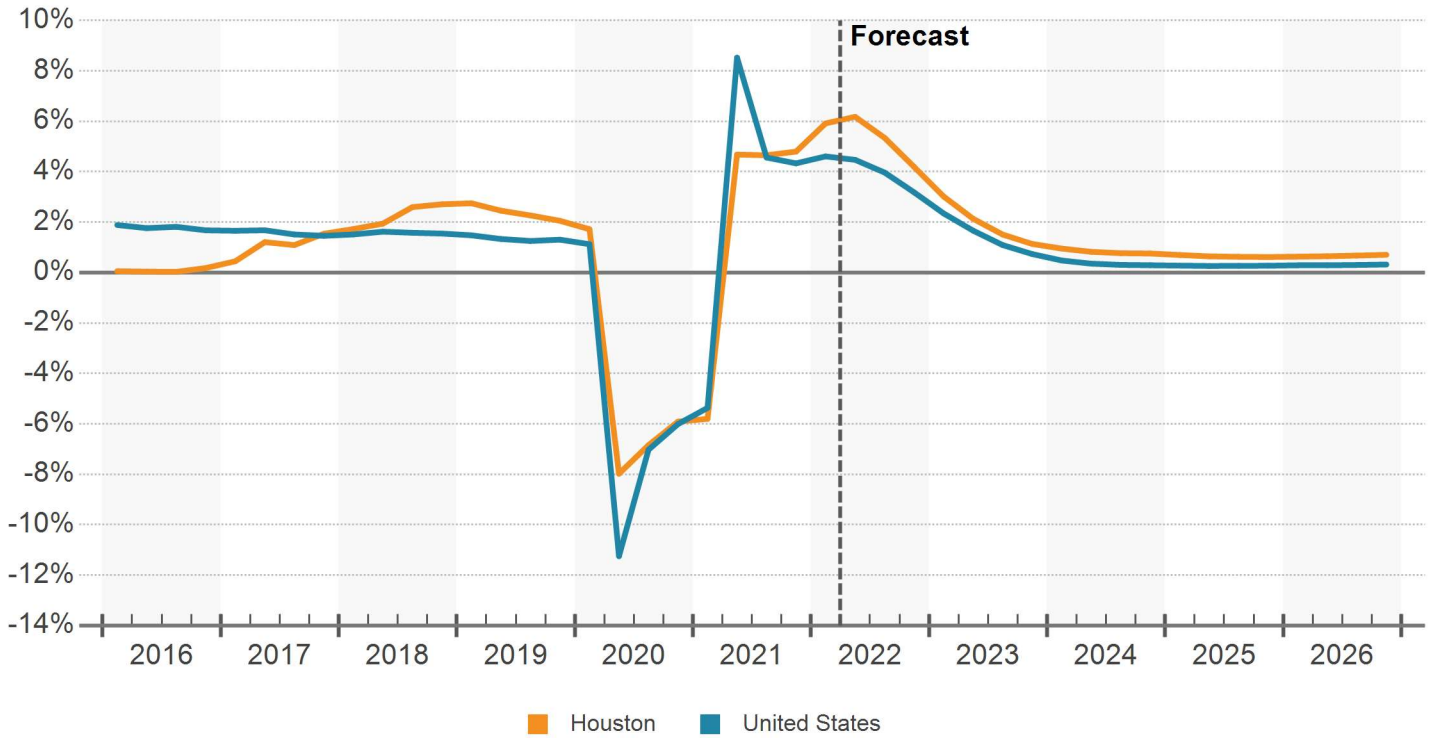
Houston has taken the longest to recover from the pandemic-induced job losses, compared to its fellow Texas Triangle peers (DFW, Austin, and San Antonio). Oil remains a significant part of Houston's economy, but the Bayou City continues to diversify its economy and foster other sectors such as commercial life sciences. Houston is home to the world's largest medical center. The TMC3 project currently under construction is the linchpin in the Texas Medical Center's plan to establish Texas as the "Third Coast" for commercial life sciences and biotechnology research to compete directly with Cambridge, Massachusetts, and Mission Bay in San Francisco. TMC3 is expected to create 26,000 jobs and generate \$5.2 billion in economic benefits in Houston. In addition, there are several million SF of new life science-oriented mixed-use projects either under construction or planned along a 2-mile stretch of Holcombe Boulevard in the Texas Medical Center.

HOUSTON EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	224	0.8	5.82%	3.28%	-0.55%	0.62%	1.16%	0.34%
Trade, Transportation and Utilities	649	1.1	4.66%	3.62%	1.62%	1.17%	0.77%	0.29%
Retail Trade	312	0.9	3.62%	2.70%	1.29%	0.59%	0.54%	0.21%
Financial Activities	173	0.9	2.67%	1.94%	2.02%	1.39%	0.82%	0.34%
Government	428	0.9	2.95%	1.63%	1.62%	0.13%	0.71%	0.58%
Natural Resources, Mining and Construction	292	1.7	9.93%	3.90%	0.49%	2.43%	1.31%	0.56%
Education and Health Services	429	0.8	6.22%	2.58%	2.91%	1.55%	1.11%	0.83%
Professional and Business Services	527	1.1	6.27%	5.14%	2.24%	2.13%	1.11%	0.55%
Information	31	0.5	10.87%	5.84%	-0.13%	0.92%	1.02%	0.52%
Leisure and Hospitality	329	1.0	10.33%	16.51%	2.70%	1.33%	2.39%	2.02%
Other Services	115	1.0	5.90%	5.55%	1.50%	0.43%	1.29%	0.93%
Total Employment	3,197	1.0	5.99%	4.57%	1.70%	1.21%	1.14%	0.69%

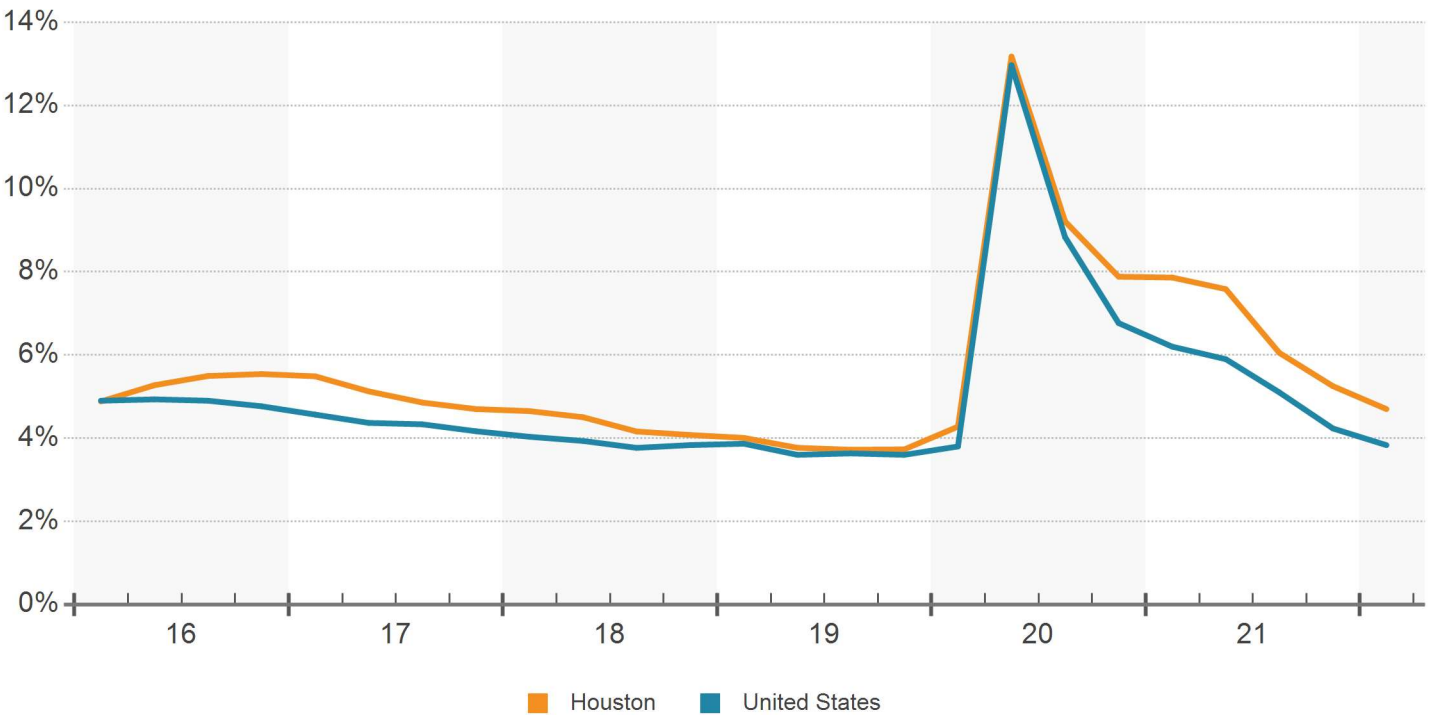
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

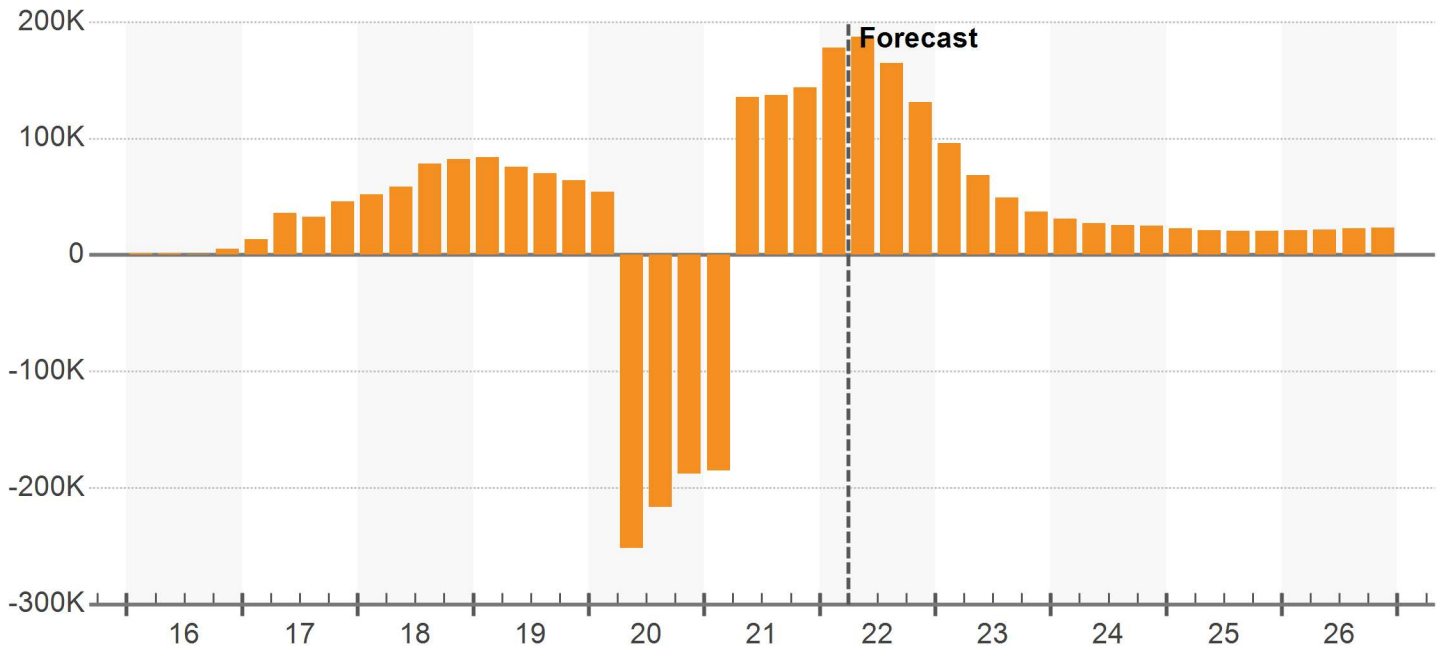


Source: Oxford Economics

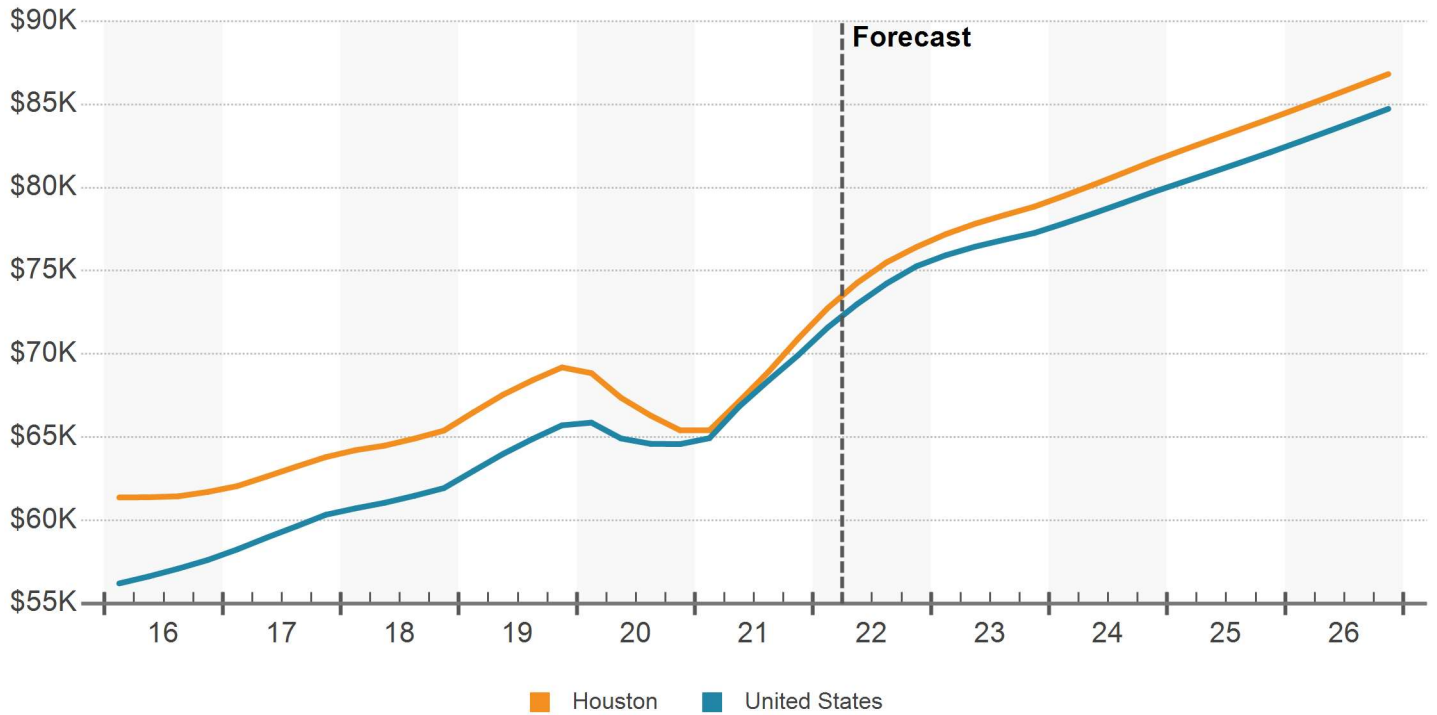
UNEMPLOYMENT RATE (%)



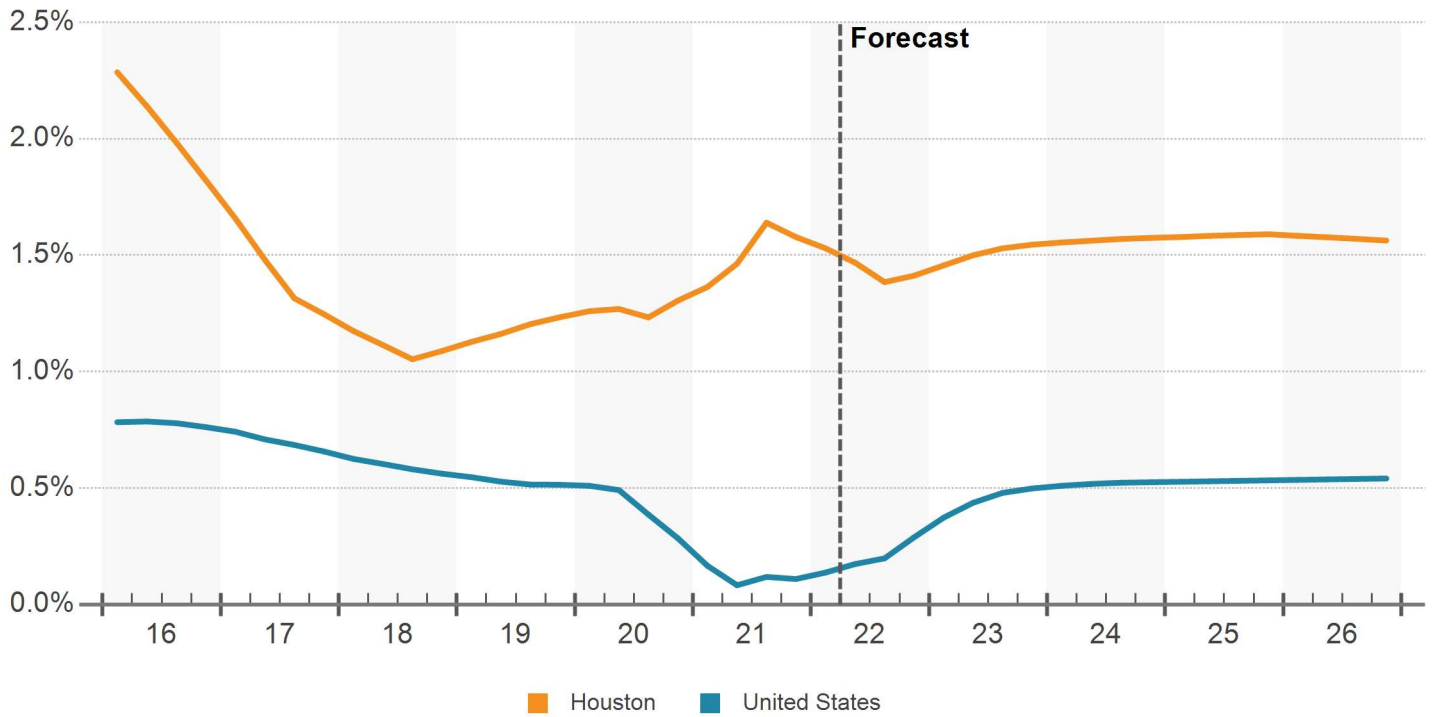
NET EMPLOYMENT CHANGE (YOY)



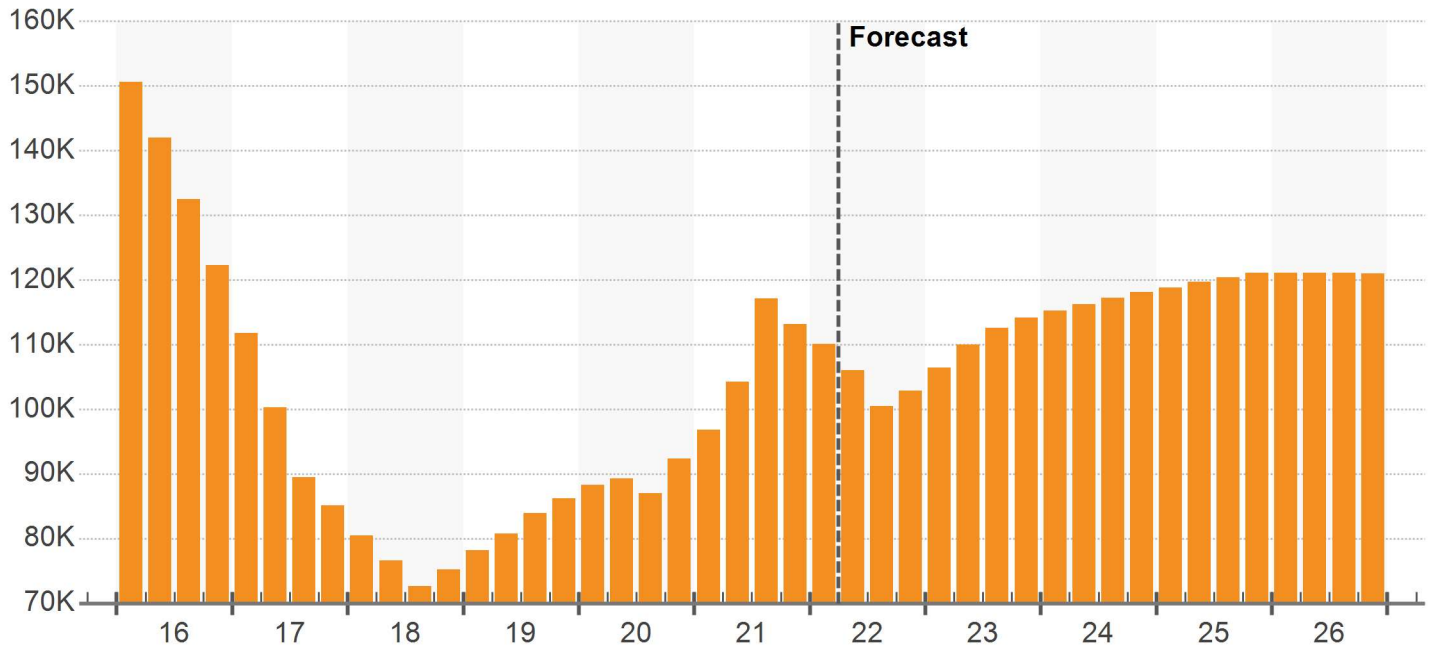
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

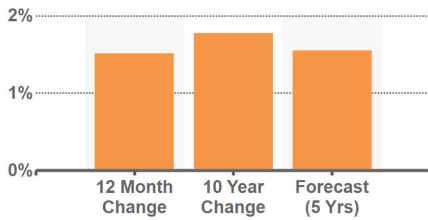


DEMOGRAPHIC TRENDS

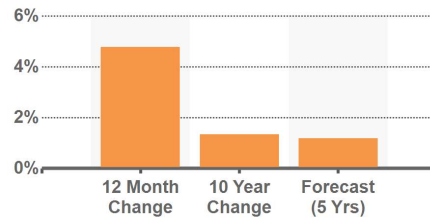
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	7,315,062	332,162,344	1.5%	0.1%	1.8%	0.6%	1.6%	0.5%
Households	2,519,290	124,023,203	1.5%	0.1%	1.8%	0.7%	1.5%	0.5%
Median Household Income	\$73,208	\$72,008	11.0%	9.9%	2.9%	3.6%	3.7%	3.5%
Labor Force	3,502,432	164,165,141	4.8%	2.2%	1.3%	0.6%	1.2%	0.5%
Unemployment	4.7%	3.8%	-3.1%	-2.3%	-0.2%	-0.5%	-	-

Source: Oxford Economics

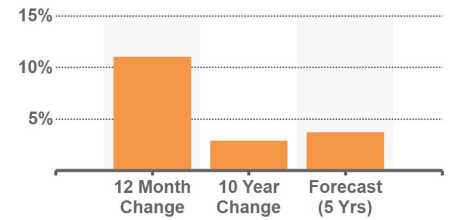
POPULATION GROWTH



LABOR FORCE GROWTH

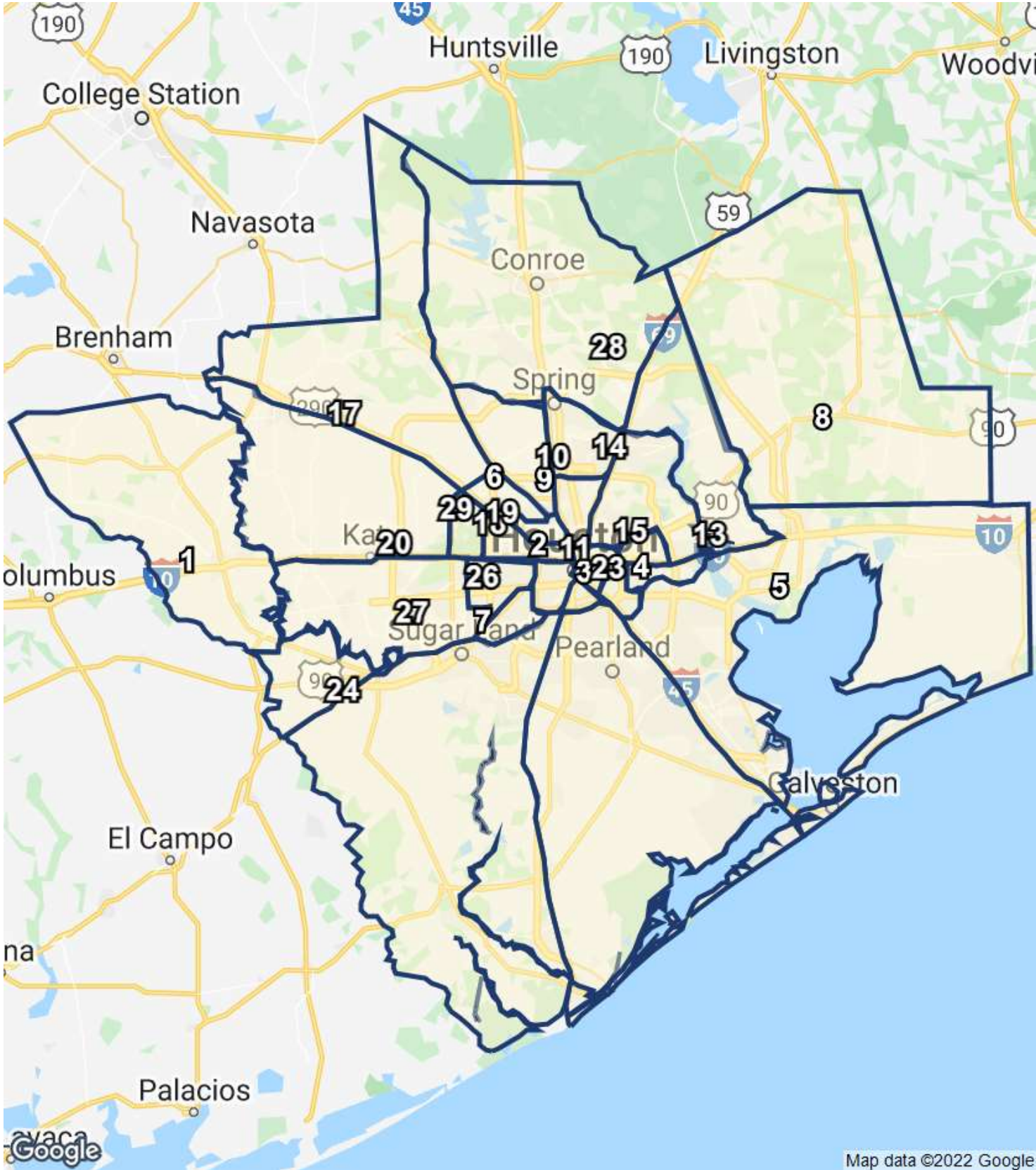


INCOME GROWTH



Source: Oxford Economics

HOUSTON SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Austin County	48	2,401	0.3%	28	0	0	0%	-	0	-	-	-
2	CBD-NW Inner Loop	522	12,526	1.7%	22	0	0	0%	-	0	-	-	-
3	Downtown Houston	886	31,636	4.3%	9	0	0	0%	-	0	-	-	-
4	East I-10 Outer Loop	271	15,624	2.1%	19	0	0	0%	-	0	-	-	-
5	East-Southeast Far	2,532	94,163	12.8%	1	27	3,873	4.1%	2	20	4,275	4.5%	1
6	Hwy 290/Tomball Pky	798	31,898	4.3%	8	18	1,564	4.9%	6	8	1,112	3.5%	6
7	Hwy 59/Hwy 90 (Alt)	1,109	29,599	4.0%	12	12	1,040	3.5%	7	2	540	1.8%	12
8	Liberty County	84	2,093	0.3%	29	0	0	0%	-	0	-	-	-
9	North Fwy/Tomball Pky	1,392	38,729	5.3%	6	29	440	1.1%	12	13	729	1.9%	10
10	North Hardy Toll Road	967	43,602	5.9%	3	11	558	1.3%	10	7	1,622	3.7%	3
11	North Inner Loop	204	5,553	0.8%	25	0	0	0%	-	0	-	-	-
12	North Outer Loop	1,167	28,085	3.8%	13	0	0	0%	-	2	291	1.0%	15
13	Northeast Hwy 321	140	2,555	0.3%	27	1	141	5.5%	14	1	277	10.9%	16
14	Northeast Hwy 90	735	26,155	3.5%	14	2	526	2.0%	11	3	753	2.9%	8
15	Northeast I-10	193	4,631	0.6%	26	0	0	0%	-	2	1,003	21.7%	7
16	Northeast Inner Loop	198	12,340	1.7%	23	0	0	0%	-	0	-	-	-
17	Northwest Hwy 6	695	17,768	2.4%	18	35	895	5.0%	8	21	709	4.0%	11
18	Northwest Inner Loop	1,850	64,836	8.8%	2	3	135	0.2%	15	3	35	0.1%	19
19	Northwest Near	843	20,296	2.8%	16	1	22	0.1%	16	0	-	-	-
20	Northwest Outliers	831	38,960	5.3%	5	46	2,041	5.2%	4	31	3,641	9.3%	2
21	South Hwy 35	1,947	43,225	5.9%	4	9	648	1.5%	9	4	92	0.2%	18
22	South Inner Loop	423	12,930	1.8%	21	0	0	0%	-	1	3	0%	21
23	Southeast Outer Loop	457	18,314	2.5%	17	1	8	0%	17	1	457	2.5%	13
24	Southwest Far	714	22,006	3.0%	15	12	1,960	8.9%	5	18	1,134	5.2%	4
25	Southwest Inner Loop	426	6,798	0.9%	24	0	0	0%	-	1	159	2.3%	17
26	Southwest Outer Loop	704	14,946	2.0%	20	0	0	0%	-	1	5	0%	20
27	Sugar Land	594	33,521	4.5%	7	16	5,737	17.1%	1	6	752	2.2%	9
28	The Woodlands/Conroe	1,459	31,419	4.3%	10	43	3,405	10.8%	3	19	336	1.1%	14
29	West Outer Loop	916	30,757	4.2%	11	13	184	0.6%	13	12	1,123	3.7%	5

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Austin County	\$6.48	25	17.7%	1	5.0%	1
2	CBD-NW Inner Loop	\$8.90	7	5.5%	4	2.7%	13
3	Downtown Houston	\$6.11	27	7.0%	2	2.0%	26
4	East I-10 Outer Loop	\$6.59	24	4.4%	29	3.5%	5
5	East-Southeast Far	\$7.97	16	5.1%	17	2.2%	24
6	Hwy 290/Tomball Pky	\$8.30	13	5.5%	3	1.4%	29
7	Hwy 59/Hwy 90 (Alt)	\$8.35	10	5.4%	8	2.3%	18
8	Liberty County	\$7.66	18	5.1%	15	2.3%	19
9	North Fwy/Tomball Pky	\$8.68	8	5.2%	12	2.8%	9
10	North Hardy Toll Road	\$8.10	15	5.4%	6	2.0%	27
11	North Inner Loop	\$6.19	26	4.8%	26	2.8%	10
12	North Outer Loop	\$7.58	21	4.9%	22	2.2%	20
13	Northeast Hwy 321	\$9.89	5	5.0%	21	4.3%	3
14	Northeast Hwy 90	\$8.11	14	4.6%	28	3.5%	4
15	Northeast I-10	\$7.40	22	4.9%	24	2.0%	25
16	Northeast Inner Loop	\$5.76	29	4.8%	25	2.8%	12
17	Northwest Hwy 6	\$10.04	4	4.7%	27	4.8%	2
18	Northwest Inner Loop	\$7.85	17	5.3%	11	2.2%	23
19	Northwest Near	\$7.66	19	5.4%	9	2.2%	22
20	Northwest Outliers	\$9.07	6	5.2%	14	1.8%	28
21	South Hwy 35	\$7.65	20	5.2%	13	2.9%	8
22	South Inner Loop	\$6.78	23	5.1%	18	2.6%	16
23	Southeast Outer Loop	\$5.97	28	4.9%	23	2.7%	15
24	Southwest Far	\$8.56	9	5.1%	16	2.2%	21
25	Southwest Inner Loop	\$10.34	1	5.4%	7	3.1%	7
26	Southwest Outer Loop	\$10.20	3	5.4%	5	2.8%	11
27	Sugar Land	\$8.31	12	5.3%	10	2.5%	17
28	The Woodlands/Conroe	\$10.21	2	5.0%	20	3.4%	6
29	West Outer Loop	\$8.34	11	5.0%	19	2.7%	14

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Austin County	246,466	10.3%	29	(10,108)	-0.4%	26	-
2	CBD-NW Inner Loop	367,492	2.9%	4	(46,072)	-0.4%	28	-
3	Downtown Houston	1,595,260	5.0%	13	143,524	0.5%	21	-
4	East I-10 Outer Loop	660,430	4.2%	9	300,479	1.9%	18	-
5	East-Southeast Far	6,746,807	7.2%	23	6,091,782	6.5%	1	0.5
6	Hwy 290/Tomball Pky	2,347,037	7.4%	24	3,474,937	10.9%	5	0.5
7	Hwy 59/Hwy 90 (Alt)	2,326,294	7.9%	25	973,681	3.3%	14	0.8
8	Liberty County	88,934	4.2%	10	(41,601)	-2.0%	27	-
9	North Fwy/Tomball Pky	1,958,846	5.1%	14	2,666,653	6.9%	6	0.1
10	North Hardy Toll Road	4,039,398	9.3%	28	2,016,724	4.6%	8	0.3
11	North Inner Loop	159,312	2.9%	3	62,928	1.1%	23	-
12	North Outer Loop	1,512,820	5.4%	16	1,160,570	4.1%	12	-
13	Northeast Hwy 321	67,898	2.7%	2	118,837	4.7%	22	1.2
14	Northeast Hwy 90	1,837,301	7.0%	22	1,550,436	5.9%	9	0.3
15	Northeast I-10	109,645	2.4%	1	27,489	0.6%	25	-
16	Northeast Inner Loop	516,877	4.2%	8	305,134	2.5%	17	-
17	Northwest Hwy 6	1,191,905	6.7%	20	1,195,383	6.7%	11	0.4
18	Northwest Inner Loop	3,650,488	5.6%	17	1,397,735	2.2%	10	0.1
19	Northwest Near	970,899	4.8%	11	(122,798)	-0.6%	29	-
20	Northwest Outliers	2,654,568	6.8%	21	3,578,630	9.2%	4	0.4
21	South Hwy 35	1,293,143	3.0%	5	1,143,900	2.6%	13	0.3
22	South Inner Loop	796,184	6.2%	18	202,677	1.6%	20	-
23	Southeast Outer Loop	1,220,250	6.7%	19	640,583	3.5%	15	-
24	Southwest Far	2,038,172	9.3%	27	2,179,596	9.9%	7	0.9
25	Southwest Inner Loop	618,845	9.1%	26	57,406	0.8%	24	-
26	Southwest Outer Loop	577,387	3.9%	7	473,327	3.2%	16	-
27	Sugar Land	1,648,523	4.9%	12	5,181,957	15.5%	2	1.0
28	The Woodlands/Conroe	1,131,893	3.6%	6	3,917,742	12.5%	3	0.8
29	West Outer Loop	1,562,021	5.1%	15	216,403	0.7%	19	0.6

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2026	820,970,991	12,314,388	1.5%	10,250,342	1.2%	1.2
2025	808,656,603	15,421,196	1.9%	13,241,089	1.6%	1.2
2024	793,235,407	20,018,185	2.6%	17,908,511	2.3%	1.1
2023	773,217,222	18,850,921	2.5%	21,584,241	2.8%	0.9
2022	754,366,301	20,755,675	2.8%	25,633,654	3.4%	0.8
YTD	737,367,468	3,756,842	0.5%	8,681,923	1.2%	0.4
2021	733,610,626	23,927,127	3.4%	33,375,828	4.5%	0.7
2020	709,683,499	33,877,596	5.0%	17,482,128	2.5%	1.9
2019	675,805,903	17,392,244	2.6%	10,833,683	1.6%	1.6
2018	658,413,659	16,745,939	2.6%	11,858,648	1.8%	1.4
2017	641,667,720	10,088,858	1.6%	10,573,337	1.6%	1.0
2016	631,578,862	13,284,605	2.1%	10,012,357	1.6%	1.3
2015	618,294,257	14,792,139	2.5%	12,159,438	2.0%	1.2
2014	603,502,118	11,196,867	1.9%	14,274,512	2.4%	0.8
2013	592,305,251	8,698,386	1.5%	5,209,978	0.9%	1.7
2012	583,606,865	3,161,785	0.5%	6,561,350	1.1%	0.5
2011	580,445,080	4,929,474	0.9%	8,062,868	1.4%	0.6
2010	575,515,606	4,805,903	0.8%	8,070,534	1.4%	0.6

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2026	126,131,018	627,803	0.5%	363,713	0.3%	1.7
2025	125,503,215	828,772	0.7%	528,316	0.4%	1.6
2024	124,674,443	1,111,048	0.9%	866,110	0.7%	1.3
2023	123,563,395	950,938	0.8%	1,204,123	1.0%	0.8
2022	122,612,457	2,607,971	2.2%	2,436,464	2.0%	1.1
YTD	120,754,361	749,875	0.6%	1,253,489	1.0%	0.6
2021	120,004,486	575,979	0.5%	663,915	0.6%	0.9
2020	119,428,507	2,769,793	2.4%	1,940,229	1.6%	1.4
2019	116,658,714	801,864	0.7%	585,385	0.5%	1.4
2018	115,856,850	1,030,581	0.9%	1,048,370	0.9%	1.0
2017	114,826,269	391,932	0.3%	695,809	0.6%	0.6
2016	114,434,337	4,159,951	3.8%	4,097,945	3.6%	1.0
2015	110,274,386	892,326	0.8%	1,132,593	1.0%	0.8
2014	109,382,060	41,798	0%	978,846	0.9%	0
2013	109,340,262	1,908,583	1.8%	(58,967)	-0.1%	-
2012	107,431,679	(668,051)	-0.6%	(175,593)	-0.2%	-
2011	108,099,730	1,034,498	1.0%	647,907	0.6%	1.6
2010	107,065,232	474,945	0.4%	471,973	0.4%	1.0

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2026	636,737,439	11,500,810	1.8%	9,942,354	1.6%	1.2
2025	625,236,629	14,337,088	2.3%	12,729,940	2.0%	1.1
2024	610,899,541	18,554,048	3.1%	16,898,174	2.8%	1.1
2023	592,345,493	17,580,196	3.1%	19,981,054	3.4%	0.9
2022	574,765,297	17,718,608	3.2%	22,131,902	3.9%	0.8
YTD	559,811,960	2,765,271	0.5%	6,907,986	1.2%	0.4
2021	557,046,689	22,552,361	4.2%	32,207,067	5.8%	0.7
2020	534,494,328	30,555,174	6.1%	15,056,413	2.8%	2.0
2019	503,939,154	16,243,089	3.3%	10,132,069	2.0%	1.6
2018	487,696,065	15,507,209	3.3%	10,749,562	2.2%	1.4
2017	472,188,856	9,182,144	2.0%	10,165,445	2.2%	0.9
2016	463,006,712	8,763,241	1.9%	6,000,091	1.3%	1.5
2015	454,243,471	13,888,242	3.2%	10,938,820	2.4%	1.3
2014	440,355,229	10,151,598	2.4%	11,785,579	2.7%	0.9
2013	430,203,631	6,002,114	1.4%	3,864,484	0.9%	1.6
2012	424,201,517	3,434,599	0.8%	6,024,600	1.4%	0.6
2011	420,766,918	3,700,473	0.9%	6,300,287	1.5%	0.6
2010	417,066,445	4,183,088	1.0%	6,904,796	1.7%	0.6

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2026	58,102,534	185,775	0.3%	(55,725)	-0.1%	-
2025	57,916,759	255,336	0.4%	(17,167)	0%	-
2024	57,661,423	353,089	0.6%	144,227	0.3%	2.4
2023	57,308,334	319,787	0.6%	399,064	0.7%	0.8
2022	56,988,547	429,096	0.8%	1,065,288	1.9%	0.4
YTD	56,801,147	241,696	0.4%	520,448	0.9%	0.5
2021	56,559,451	798,787	1.4%	504,846	0.9%	1.6
2020	55,760,664	552,629	1.0%	485,486	0.9%	1.1
2019	55,208,035	347,291	0.6%	116,229	0.2%	3.0
2018	54,860,744	208,149	0.4%	60,716	0.1%	3.4
2017	54,652,595	514,782	1.0%	(287,917)	-0.5%	-
2016	54,137,813	361,413	0.7%	(85,679)	-0.2%	-
2015	53,776,400	11,571	0%	88,025	0.2%	0.1
2014	53,764,829	1,003,471	1.9%	1,510,087	2.8%	0.7
2013	52,761,358	787,689	1.5%	1,404,461	2.7%	0.6
2012	51,973,669	395,237	0.8%	712,343	1.4%	0.6
2011	51,578,432	194,503	0.4%	1,114,674	2.2%	0.2
2010	51,383,929	147,870	0.3%	693,765	1.4%	0.2

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2026	\$9.33	153	1.2%	16.5%	47,736,631	5.8%	0.2%
2025	\$9.22	151	1.4%	15.1%	45,640,563	5.6%	0.2%
2024	\$9.09	149	2.4%	13.5%	43,428,797	5.5%	0.1%
2023	\$8.88	145	4.7%	10.9%	41,288,298	5.3%	-0.5%
2022	\$8.48	139	5.9%	5.9%	43,995,941	5.8%	-0.8%
YTD	\$8.11	133	5.2%	1.2%	43,935,095	6.0%	-0.7%
2021	\$8.01	131	4.8%	0%	48,860,176	6.7%	-1.6%
2020	\$7.65	125	1.7%	-4.6%	58,351,121	8.2%	2.0%
2019	\$7.52	123	2.5%	-6.1%	42,234,501	6.2%	0.8%
2018	\$7.34	120	2.5%	-8.4%	35,924,524	5.5%	0.3%
2017	\$7.16	117	3.1%	-10.6%	33,239,547	5.2%	-0.2%
2016	\$6.95	114	0.8%	-13.3%	33,891,744	5.4%	0.3%
2015	\$6.89	113	3.9%	-14.0%	31,120,391	5.0%	0.2%
2014	\$6.63	109	3.3%	-17.2%	28,878,589	4.8%	-0.6%
2013	\$6.42	105	2.6%	-19.9%	32,011,050	5.4%	0.4%
2012	\$6.25	102	2.3%	-21.9%	28,960,569	5.0%	-0.6%
2011	\$6.12	100	2.0%	-23.6%	32,360,134	5.6%	-0.6%
2010	\$6	98	-1.0%	-25.1%	35,493,527	6.2%	-0.6%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2026	\$10.33	163	1.3%	16.6%	5,041,956	4.0%	0.2%
2025	\$10.19	161	1.6%	15.1%	4,773,344	3.8%	0.2%
2024	\$10.03	159	2.6%	13.3%	4,468,650	3.6%	0.2%
2023	\$9.79	155	4.9%	10.5%	4,219,374	3.4%	-0.2%
2022	\$9.33	148	5.4%	5.4%	4,468,568	3.6%	0.1%
YTD	\$8.87	140	3.7%	0.2%	3,791,757	3.1%	-0.4%
2021	\$8.86	140	3.6%	0%	4,295,371	3.6%	-0.1%
2020	\$8.55	135	1.1%	-3.5%	4,383,307	3.7%	0.6%
2019	\$8.45	134	2.8%	-4.6%	3,549,553	3.0%	0.2%
2018	\$8.23	130	5.3%	-7.1%	3,333,074	2.9%	0%
2017	\$7.81	124	5.8%	-11.8%	3,350,863	2.9%	-0.3%
2016	\$7.39	117	0.5%	-16.6%	3,654,740	3.2%	-0.1%
2015	\$7.35	116	6.6%	-17.0%	3,592,734	3.3%	-0.2%
2014	\$6.89	109	4.6%	-22.2%	3,833,001	3.5%	-0.9%
2013	\$6.59	104	2.6%	-25.6%	4,770,049	4.4%	1.8%
2012	\$6.42	102	1.8%	-27.4%	2,802,499	2.6%	-0.4%
2011	\$6.31	100	1.7%	-28.7%	3,294,957	3.0%	0.3%
2010	\$6.21	98	-0.9%	-29.9%	2,908,366	2.7%	0%

LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2026	\$8.75	151	1.2%	16.5%	37,438,582	5.9%	0.1%
2025	\$8.64	150	1.4%	15.1%	35,856,680	5.7%	0.1%
2024	\$8.52	148	2.3%	13.5%	34,226,116	5.6%	0.1%
2023	\$8.33	144	4.7%	10.9%	32,547,648	5.5%	-0.6%
2022	\$7.96	138	5.9%	5.9%	34,930,353	6.1%	-1.0%
YTD	\$7.61	132	5.4%	1.4%	35,190,863	6.3%	-0.8%
2021	\$7.51	130	4.9%	0%	39,333,578	7.1%	-2.1%
2020	\$7.16	124	1.9%	-4.7%	49,018,628	9.2%	2.5%
2019	\$7.02	122	2.6%	-6.5%	33,711,918	6.7%	1.0%
2018	\$6.85	119	1.9%	-8.9%	27,849,482	5.7%	0.4%
2017	\$6.72	116	2.7%	-10.6%	25,239,088	5.3%	-0.4%
2016	\$6.54	113	0.9%	-12.9%	26,390,153	5.7%	0.4%
2015	\$6.48	112	3.7%	-13.7%	24,128,352	5.3%	0.4%
2014	\$6.25	108	3.0%	-16.8%	21,569,829	4.9%	-0.5%
2013	\$6.07	105	2.5%	-19.2%	23,258,626	5.4%	0.3%
2012	\$5.92	103	2.0%	-21.2%	21,548,496	5.1%	-0.7%
2011	\$5.80	100	2.2%	-22.7%	24,138,497	5.7%	-0.7%
2010	\$5.68	98	-1.0%	-24.4%	26,738,310	6.4%	-0.7%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2026	\$13.12	146	1.0%	16.7%	5,256,093	9.0%	0.4%
2025	\$12.98	144	1.3%	15.5%	5,010,539	8.7%	0.4%
2024	\$12.82	143	2.3%	14.0%	4,734,031	8.2%	0.3%
2023	\$12.53	139	4.6%	11.5%	4,521,276	7.9%	-0.2%
2022	\$11.98	133	6.6%	6.6%	4,597,020	8.1%	-1.2%
YTD	\$11.44	127	6.6%	1.8%	4,952,475	8.7%	-0.5%
2021	\$11.24	125	5.8%	0%	5,231,227	9.2%	0.4%
2020	\$10.63	118	0.7%	-5.5%	4,949,186	8.9%	-0.1%
2019	\$10.55	117	1.4%	-6.1%	4,973,030	9.0%	0.4%
2018	\$10.41	116	2.1%	-7.4%	4,741,968	8.6%	0.1%
2017	\$10.19	113	1.0%	-9.3%	4,649,596	8.5%	1.4%
2016	\$10.09	112	0.4%	-10.2%	3,846,851	7.1%	0.8%
2015	\$10.05	112	1.7%	-10.6%	3,399,305	6.3%	-0.1%
2014	\$9.88	110	3.2%	-12.1%	3,475,759	6.5%	-1.1%
2013	\$9.57	106	3.4%	-14.9%	3,982,375	7.5%	-1.3%
2012	\$9.25	103	4.4%	-17.7%	4,609,574	8.9%	-0.7%
2011	\$8.86	99	1.1%	-21.2%	4,926,680	9.6%	-1.8%
2010	\$8.77	98	-1.1%	-22.0%	5,846,851	11.4%	-1.1%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$109.58	215	6.7%
2025	-	-	-	-	-	-	\$108.62	213	6.7%
2024	-	-	-	-	-	-	\$107.73	212	6.6%
2023	-	-	-	-	-	-	\$105.91	208	6.6%
2022	-	-	-	-	-	-	\$100.53	198	6.6%
YTD	348	\$939.5M	1.5%	\$14,454,391	\$208.23	7.4%	\$95.97	189	6.6%
2021	1,717	\$2.5B	9.6%	\$7,316,253	\$100.06	7.2%	\$94.83	186	6.5%
2020	1,135	\$658.4M	6.2%	\$3,805,539	\$86.12	7.6%	\$88.59	174	6.3%
2019	1,211	\$1.2B	5.8%	\$3,837,533	\$84.38	7.6%	\$84.68	166	6.4%
2018	1,306	\$1.3B	6.8%	\$4,408,983	\$77.51	8.0%	\$80.39	158	6.4%
2017	1,222	\$1.2B	5.7%	\$4,011,017	\$76.80	7.5%	\$77.62	153	6.4%
2016	918	\$473.5M	3.6%	\$2,977,699	\$68.98	8.1%	\$74.20	146	6.4%
2015	1,039	\$852.4M	5.8%	\$4,956,036	\$94.65	8.5%	\$71.46	140	6.4%
2014	985	\$627.8M	4.6%	\$2,790,189	\$64.72	8.4%	\$65.20	128	6.7%
2013	835	\$471.6M	5.1%	\$2,508,460	\$50.91	8.6%	\$60.19	118	7.0%
2012	881	\$577.7M	4.4%	\$2,093,150	\$55.68	8.4%	\$56.88	112	7.2%
2011	587	\$410.3M	3.4%	\$2,869,262	\$43.27	8.6%	\$53.23	105	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$103.66	224	6.6%
2025	-	-	-	-	-	-	\$102.63	222	6.6%
2024	-	-	-	-	-	-	\$101.64	220	6.5%
2023	-	-	-	-	-	-	\$99.78	216	6.5%
2022	-	-	-	-	-	-	\$94.57	205	6.5%
YTD	34	\$47.4M	1.3%	\$7,904,690	\$114.83	-	\$89.86	195	6.5%
2021	201	\$155.4M	7.3%	\$3,171,280	\$84.52	7.5%	\$88.89	192	6.4%
2020	99	\$46.5M	4.2%	\$3,322,856	\$65.94	5.0%	\$82.68	179	6.3%
2019	119	\$148.7M	5.2%	\$4,956,619	\$90.76	5.8%	\$79.08	171	6.3%
2018	130	\$127.3M	5.1%	\$4,390,020	\$58.63	8.6%	\$74.52	161	6.4%
2017	128	\$133.2M	4.6%	\$4,295,790	\$94.08	5.4%	\$71.60	155	6.3%
2016	98	\$39.1M	3.6%	\$3,907,268	\$58.11	8.7%	\$68.32	148	6.4%
2015	92	\$179.3M	4.3%	\$12,808,437	\$155.12	8.5%	\$66	143	6.4%
2014	106	\$50.8M	2.9%	\$3,176,023	\$61.58	7.4%	\$59.97	130	6.7%
2013	94	\$33.2M	2.8%	\$2,077,490	\$69.73	7.6%	\$54.80	119	7.0%
2012	93	\$80.6M	3.0%	\$4,032,437	\$90.64	7.8%	\$52.13	113	7.1%
2011	55	\$18M	1.7%	\$1,386,090	\$35.58	-	\$48.58	105	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$107.70	215	6.7%
2025	-	-	-	-	-	-	\$106.76	213	6.7%
2024	-	-	-	-	-	-	\$105.89	211	6.6%
2023	-	-	-	-	-	-	\$104.12	208	6.6%
2022	-	-	-	-	-	-	\$98.85	197	6.6%
YTD	260	\$350.2M	1.4%	\$9,215,935	\$128.02	7.9%	\$94.45	188	6.6%
2021	1,247	\$2.2B	9.8%	\$8,385,854	\$99.88	7.0%	\$93.35	186	6.5%
2020	852	\$553.8M	6.6%	\$4,465,940	\$87.06	7.9%	\$87.14	174	6.3%
2019	925	\$814.6M	5.8%	\$3,736,560	\$78.79	7.9%	\$83.22	166	6.4%
2018	1,004	\$1B	7.1%	\$4,843,392	\$79.63	7.4%	\$78.95	158	6.4%
2017	933	\$930.5M	5.7%	\$4,473,362	\$75.12	7.7%	\$76.33	152	6.4%
2016	700	\$387.2M	3.6%	\$3,226,927	\$72.07	8.1%	\$72.92	145	6.4%
2015	828	\$550.5M	6.1%	\$4,170,613	\$81.50	8.3%	\$70.25	140	6.5%
2014	752	\$504.3M	4.9%	\$2,931,996	\$62.63	8.5%	\$64.11	128	6.7%
2013	647	\$387.2M	5.7%	\$2,530,452	\$47.15	8.6%	\$59.27	118	7.0%
2012	642	\$390.5M	4.4%	\$1,972,342	\$49.55	8.2%	\$55.91	112	7.2%
2011	423	\$319M	3.7%	\$3,430,102	\$39.85	8.4%	\$52.41	105	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$141.40	206	6.9%
2025	-	-	-	-	-	-	\$140.39	205	6.9%
2024	-	-	-	-	-	-	\$139.43	203	6.8%
2023	-	-	-	-	-	-	\$137.21	200	6.8%
2022	-	-	-	-	-	-	\$130.42	190	6.7%
YTD	54	\$541.9M	3.3%	\$25,804,844	\$397.47	5.5%	\$124.37	181	6.7%
2021	269	\$154.8M	12.7%	\$4,839,036	\$126.70	8.7%	\$122.66	179	6.6%
2020	184	\$58.1M	6.4%	\$1,658,907	\$100.42	7.2%	\$115.94	169	6.5%
2019	167	\$222.5M	7.4%	\$3,648,018	\$107.15	7.8%	\$111.56	163	6.5%
2018	172	\$78.7M	7.3%	\$2,017,122	\$93.17	10.7%	\$107.64	157	6.5%
2017	161	\$171.8M	7.8%	\$2,489,339	\$75.25	8.3%	\$103.65	151	6.5%
2016	120	\$47.2M	3.8%	\$1,625,870	\$57.67	7.8%	\$99.91	146	6.4%
2015	119	\$122.6M	6.6%	\$4,715,348	\$111.93	9.8%	\$95.52	139	6.5%
2014	127	\$72.7M	6.0%	\$1,964,130	\$88.36	9.6%	\$87.48	127	6.8%
2013	94	\$51.2M	4.8%	\$2,694,286	\$88.98	9.0%	\$81.12	118	7.0%
2012	146	\$106.5M	7.0%	\$1,836,843	\$66.46	9.8%	\$76.91	112	7.2%
2011	109	\$73.3M	4.6%	\$1,980,697	\$75.48	9.5%	\$71.59	104	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.