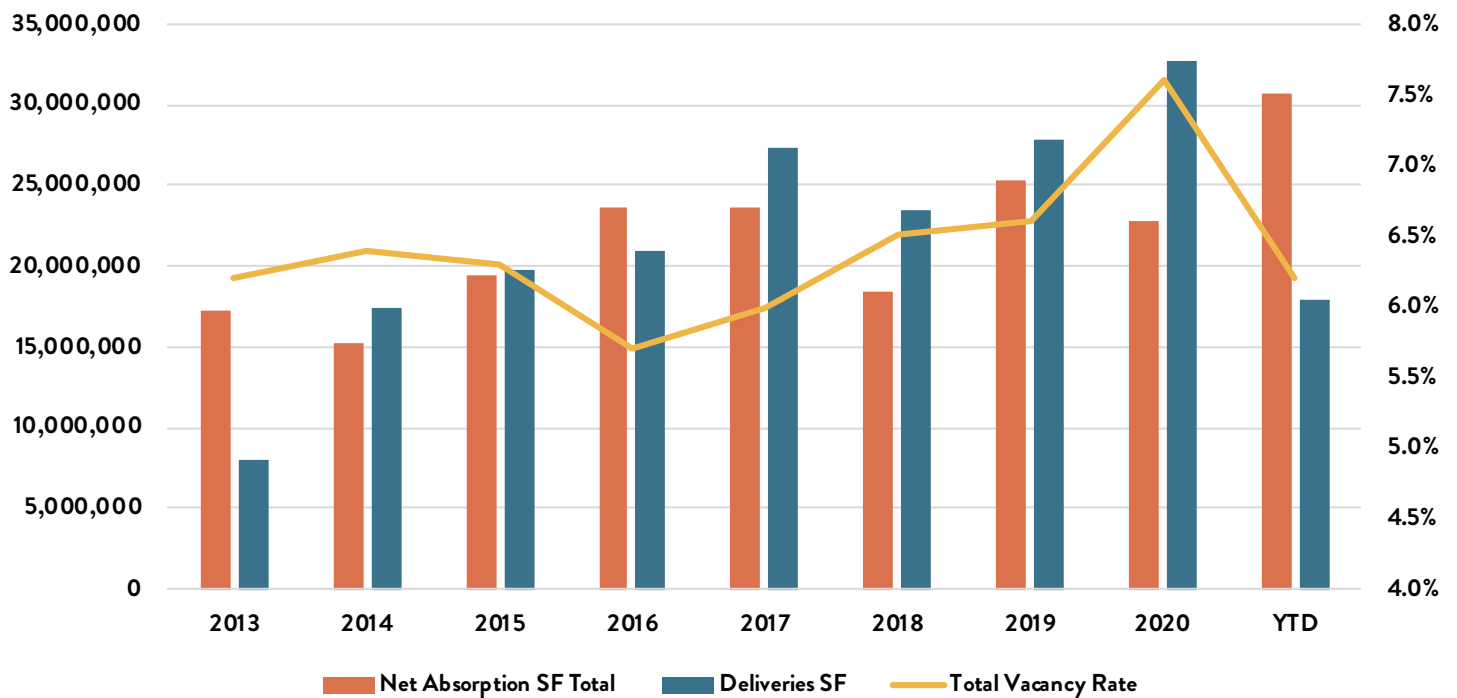


# DALLAS/FORT WORTH INDUSTRIAL MARKET FUNDAMENTALS 3Q21



	TOTAL VACANCY	SUBLEASE SPACE	NET ABSORPTION	COMPLETIONS	UNDER CONSTRUCTION	AVERAGE ASKING RATES (NNN)
1Q21	7.1%	4,874,353 SF	10,801,790 SF	7,246,393 SF	29,011,926 SF	\$5.68
2Q21	6.7%	4,881,108 SF	8,338,423 SF	6,024,574 SF	36,449,172 SF	\$5.68
3Q21	6.2%	4,291,871 SF	11,613,258 SF	4,593,316 SF	48,530,839 SF	\$5.81

## INDUSTRIAL MARKET CONDITIONS

The Dallas-Fort Worth industrial market continues to be one of the top performing markets in the U.S. from a demand standpoint. COVID-19, along with a surge in online shopping, has helped spur record demand for warehouse and distribution properties. Over recent years, both new supply and demand have topped over 20 million square feet per year, with the most recent quarters roughly double that average. High construction and demand levels have contributed to solid rental rate growth, with average industrial asking rates up about 7% over the past year.

# DALLAS/FORT WORTH INDUSTRIAL MARKET FUNDAMENTALS 3Q21

The Dallas-Fort Worth industrial market performed remarkably well not just since the pandemic, but over the past six years with the average annual demand for industrial space being above 20 million square feet each year. The momentum has continued into 2021 and is currently on pace to double the 20 million square foot average. During this same period developers have delivered an incredible amount of industrial supply, averaging more than 20 million square feet of net new space annually since 2015.

SELECT SUBMARKETS	INVENTORY		VACANCY		NET ABSORPTION		COMPLETIONS		UNDER CONSTRUCTION	ASKING RENT
	# of Bldgs.	Total SF	Total SF	Rate	Current Quarter	YTD	Current Quarter	YTD	At End of Current Quarter	Wtd. Avg. (NNN)
DFW Airport	476	80,579,044	3,948,483	4.90%	802,958	5,075,506	0	1,825,456	2,348,151	\$6.89
East Dallas	422	45,263,814	4,620,213	10.20%	2,988,527	2,356,185	1,114,765	1,910,762	4,709,925	\$7.45
Great SW/Arlington	852	109,415,132	3,303,404	3.00%	443,951	3,420,479	129,450	129,450	2,305,191	\$5.56
North Fort Worth	593	112,666,177	12,254,886	10.90%	2,902,799	5,969,155	1,859,393	5,540,751	7,401,867	\$4.82
Northeast Dallas	848	89,752,098	5,307,943	5.90%	1,552,252	3,866,180	0	3,118,156	2,552,837	\$6.67
Northwest Dallas	908	95,747,810	3,640,178	3.80%	510,183	2,791,340	69,385	1,466,953	5,088,057	\$6.33
NW Dallas Outlying	29	2,639,309	69,700	2.60%	-10,200	14,696	0	0	0	\$9.00
South Dallas	563	104,452,955	5,273,219	5.00%	2,189,567	5,411,867	603,378	1,753,698	14,775,756	\$4.18
South Ft Worth	991	72,789,558	6,535,754	9.00%	-305,439	-31,528	267,175	1,457,287	8,303,237	\$5.23
South Stemmons	1,277	93,002,645	4,700,856	5.10%	538,660	1,879,591	549,770	661,770	1,045,818	\$6.97
<b>TOTAL</b>	<b>6,959</b>	<b>806,308,542</b>	<b>49,654,636</b>	<b>6.20%</b>	<b>11,613,258</b>	<b>30,753,471</b>	<b>4,593,316</b>	<b>17,864,283</b>	<b>48,530,839</b>	<b>\$5.81</b>
Ind	6,959	806,308,542	49,654,636	6.20%	11,613,258	30,753,471	4,593,316	17,864,283	48,530,839	\$5.81
Flex	1,877	91,616,030	5,832,284	6.40%	327,166	939,610	92,138	308,764	443,399	\$10.85
<b>TOTAL DFW</b>	<b>8,836</b>	<b>897,924,572</b>	<b>55,486,920</b>	<b>6.20%</b>	<b>11,940,424</b>	<b>31,693,081</b>	<b>4,685,454</b>	<b>18,173,047</b>	<b>48,974,238</b>	<b>\$6.84</b>