

MARKETBEAT

Dallas-Fort Worth

Industrial Q2 2018



DALLAS INDUSTRIAL

Economic Indicators*

	Q2 17	Q2 18	12-Month Forecast
DFW Employment	3.58M	3.69M	▲
DFW Unemployment	3.8%	3.6%	▼
U.S. Unemployment	4.3%	3.8%	▼

*Q2 data is based on the average of April & May values

Market Indicators (Overall, All Property Types)

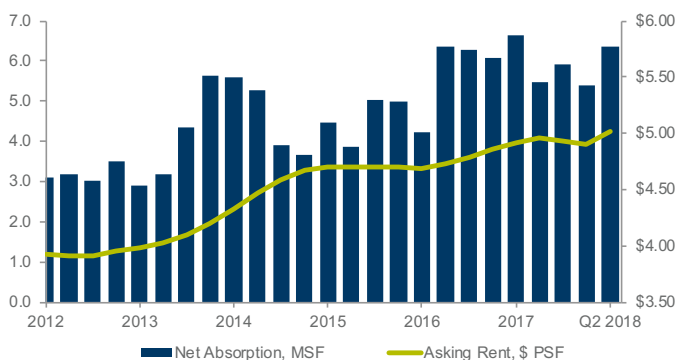
	Q2 17**	Q2 18	12-Month Forecast
Overall Vacancy	6.6%	6.4%	■
Net Absorption (SF)	4.7M	8.5M	■
Under Construction (SF)	23.6M	22.6M	■
Average Asking Rent*	\$4.96	\$5.50	▼

*Rental rates reflect net asking \$PSF/year

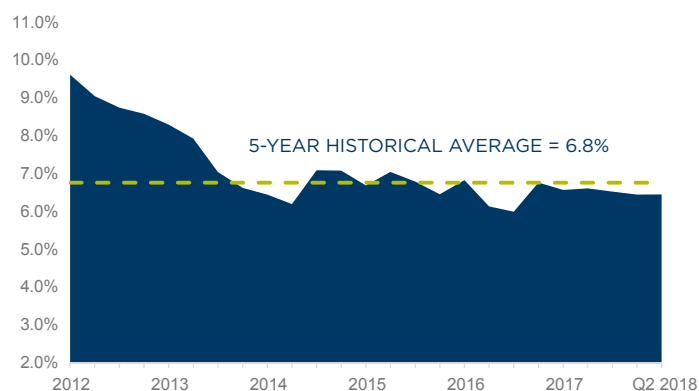
**Q2 2017 are from a revised history

Overall Net Absorption/Overall Asking Rent

4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth-Arlington economy continues to thrive, as population and employment growth persist. According to Moody's Analytics, the region's population increased by 136,000 year-over-year, reaching a population of 7.5 million people through the end of March, equating to an average of 375 new residents per day. During the same time period, the Dallas-Fort Worth-Arlington employment base increased by 112,370. In contrast, the unemployment rate increased by 20 basis points (bps) to 3.6% at the close of Q2 2018. Out of the 112,370 jobs added, 34% (38,355 jobs) can be attributed to the industrial sector, which is comprised of goods-producing and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 61% of the entire industrial sector and is the leading indicator for the current demand of industrial space.

Market Overview

During the first quarter of 2018, Cushman & Wakefield expanded its industrial inventory to reflect a rapidly growing North Texas market. Nearly 800,000 acres of territory were added to the coverage area, encompassing 110 million square feet (msf) of inventory; bringing the total to 725 msf of leasable space. Note: Cushman & Wakefield Dallas tracks industrial buildings that are at least 20,000 square feet (sf) in size.

Industrial vacancy in the Dallas-Fort Worth market remained stable during the second quarter of 2018, posting a vacancy rate of 6.4%. Year-over-year, warehouse (6.4%) and manufacturing (1.8%) product continued to tighten, with vacancy dropping 50 bps and 60 bps, respectively.

Dallas-Fort Worth's industrial market generated 8.5 msf of net absorption in Q2 2018. Looking at activity by product type, warehouse/distribution led the way, posting 7.1 msf of absorption throughout Q2 2018. At midyear, this growth accounts for 84% of total occupancy gains in the DFW market. The submarket that experienced the largest occupancy growth was Great Southwest, with 5.8 msf during the second quarter.

MARKETBEAT

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Nearly two-thirds (60%) of this absorption can be attributed to Tellworks occupying their speculative space, General Motors occupying two buildings, along with GE Appliance, and FedEx occupying newly built build-to-suit (BTS) facilities.

"WE'RE CURRENTLY TRACKING MORE THAN 25 MSF IN ACTIVE TENANT REQUIREMENTS. DEMAND IS COMING FROM A DIVERSE GROUP OF INDUSTRIES, INCLUDING BUILDING PRODUCTS, CONSUMER PRODUCTS, AND E-COMMERCE OPERATIONS."

KURT GRIFFIN, EXECUTIVE MANAGING DIRECTOR, CUSHMAN & WAKEFIELD

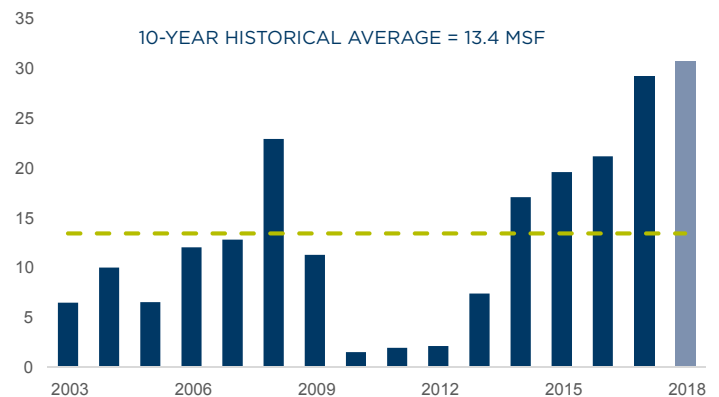
During the first half of 2018, developers added nearly 10.8 msf of new product to the local inventory. The Warehouse/Distribution classification made up nearly all 2018 deliveries, with 9.3 msf in completions. Of the 34 projects delivered across the market, the average building size was 287,000 sf. The Great Southwest (3.8 msf) and South Dallas (3.7 msf) submarkets led in development, accounting for 70% of new product delivered at the midyear mark. Cushman & Wakefield is tracking an additional 68 properties under construction, totaling an additional 22.6 msf. Of this, about 82%, or 18.5 msf, is expected to be completed by year's end. Based on current robust demand, the overall vacancy rate is not expected to increase.

Outlook

- Cushman & Wakefield is currently tracking 18.5 msf of new industrial product slated to be delivered throughout the second half 2018.
- As industrial users battle for workers, properties that offer access to a ready supply of labor will have an advantage over the competition.
- The market will see an increase in redevelopment projects, as a shortage of available land sites persists. Land in or near most established industrial parks in North Texas has already been snapped up, with only infill sites remaining.

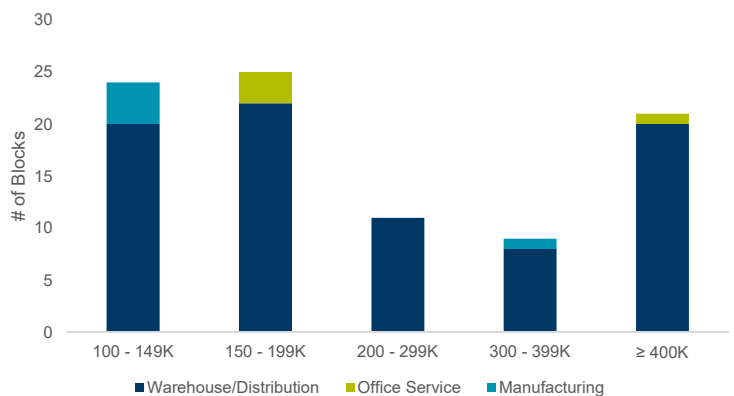
New Supply (msf)

NEW SUPPLY IN 2018 EXPECTED TO EXCEED THE HISTORICAL AVERAGE



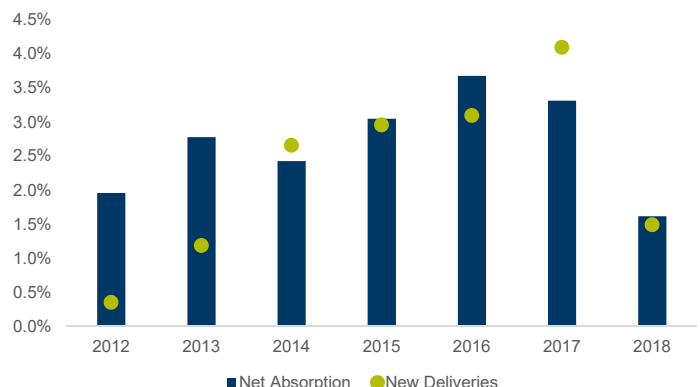
Large Block Space

BLOCKS OF AVAILABLE CONTIGUOUS SPACE



Net Absorption & New Deliveries (All Types, % of Inventory)

DEMAND IN LINE WITH SUPPLY IN DFW



MARKETBEAT

Dallas-Fort Worth

Industrial Q2 2018



SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q2 NET ABSORPTION	2018 NET ABSORPTION	UNDER CONSTRUCTION	2018 COMPLETIONS	OVERALL AVG. ASKING RENT*	DIRECT AVG. ASKING RENT
Allen/McKinney	80	7,661,057	200,933	209,488	2.6%	2.7%	140,000	140,000	0	140,000	\$7.70	\$7.19
Brookhollow/Trinity	889	48,802,343	1,007,618	1,031,334	2.1%	2.1%	0	20,578	0	0	\$8.50	\$8.58
Central Dallas	216	14,424,995	360,857	366,357	2.5%	2.5%	0	0	0	0	N/A	N/A
DFW Airport	547	79,757,076	4,730,424	5,066,072	5.9%	6.4%	-28,121	1,200,570	5,401,564	444,429	\$6.57	\$6.67
Far North/I-35	212	18,406,188	788,994	822,494	4.3%	4.5%	84,530	84,530	335,094	336,494	\$5.87	\$5.99
Garland	532	43,930,950	2,125,223	2,704,511	4.8%	6.2%	55,922	354,236	1,038,497	0	\$4.06	\$4.80
Great Southwest	1016	110,749,911	6,557,027	7,606,578	5.9%	6.9%	5,854,207	6,818,521	1,654,986	3,826,733	\$4.87	\$4.92
Mesquite	179	17,997,954	1,960,778	1,960,778	10.9%	10.9%	0	-440,860	2,340,730	0	\$5.59	\$5.59
North Dallas/ Metropolitan	335	19,367,912	1,132,749	1,160,573	5.8%	6.0%	-40,000	-272,846	0	0	\$7.21	\$7.23
Pinnacle/Turnpike	211	27,774,375	1,787,435	2,170,521	6.4%	7.8%	-432,443	-712,173	0	189,200	\$4.27	\$4.95
Redbird	204	22,284,459	912,714	912,714	4.1%	4.1%	-40,800	-171,300	0	154,960	\$3.31	\$3.31
Richardson/Plano	481	36,171,641	2,218,868	2,322,693	6.1%	6.4%	75,509	82,898	284,908	0	\$9.78	\$9.99
Rockwall	34	2,729,554	4,066	4,066	0.1%	0.1%	0	0	0	0	\$10.24	\$10.24
South Dallas	225	48,804,025	9,532,755	9,532,755	19.5%	19.5%	2,247,954	2,729,030	4,667,783	3,711,610	\$3.38	\$3.38
Valwood/N Stemmons	550	50,362,030	1,877,737	2,086,190	3.7%	4.1%	173,374	200,995	235,900	0	\$5.68	\$5.80
Walnut Hill/Stemmons	482	22,165,365	530,283	537,783	2.4%	2.4%	-29,634	-29,634	0	0	\$5.16	\$5.16
DALLAS TOTAL	6,193	571,389,835	35,728,461	38,494,907	6.3%	6.7%	8,060,498	10,004,545	15,959,462	8,803,426	\$5.19	\$5.31
Alliance	144	39,936,038	2,244,072	2,651,872	5.6%	6.6%	329,693	1,222,808	4,654,370	1,362,203	N/A	N/A
Central Fort Worth	298	16,008,482	281,306	281,306	1.8%	1.8%	0	-79,277	0	0	\$3.70	\$3.70
East Fort Worth	426	23,482,411	1,346,674	1,398,274	5.7%	6.0%	0	67,826	0	0	\$4.40	\$4.62
North Fort Worth	341	42,826,217	1,331,901	1,342,901	3.1%	3.1%	33,673	162,296	1,465,155	221,000	\$4.97	\$4.92
South Fort Worth	284	27,204,944	2,125,402	2,136,099	7.8%	7.9%	0	240,000	478,939	308,061	\$4.31	\$4.31
West Fort Worth	77	4,344,345	374,036	423,236	8.6%	9.7%	90,000	90,000	0	90,000	\$7.33	\$7.33
FORT WORTH TOTAL	1,570	153,802,437	7,703,391	8,233,688	5.0%	5.4%	453,366	1,703,653	6,598,464	1,981,264	\$4.69	\$4.71
DFW TOTAL	7,763	725,192,272	43,431,852	46,728,595	6.0%	6.4%	8,513,864	11,708,198	22,557,926	10,784,690	\$5.50	\$5.64

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q2 NET ABSORPTION	2018 NET ABSORPTION	UNDER CONSTRUCTION	2018 COMPLETIONS	OVERALL AVG. ASKING RENT*	DIRECT AVG. ASKING RENT
Manufacturing	649	80,488,418	1,432,042	1,811,382	1.8%	2.3%	1,226,318	1,387,318	180,497	1,300,693	\$4.22	\$5.00
Office Service Center/ Flex	1,877	91,128,196	6,566,829	6,740,543	7.2%	7.4%	141,330	172,180	582,500	202,000	\$9.01	\$9.05
Warehouse/ Distribution	5,237	553,575,658	35,432,981	38,176,670	6.4%	6.9%	7,146,216	10,148,700	21,794,929	9,281,997	\$4.23	\$4.25
Total	7,763	725,192,272	43,431,852	46,728,595	6.0%	6.4%	8,513,864	11,708,198	22,557,926	10,784,690	\$5.50	\$5.64

*Rental rates reflect gross asking \$PSF/year

*Revisions to stats were made after the National Industrial Report was published

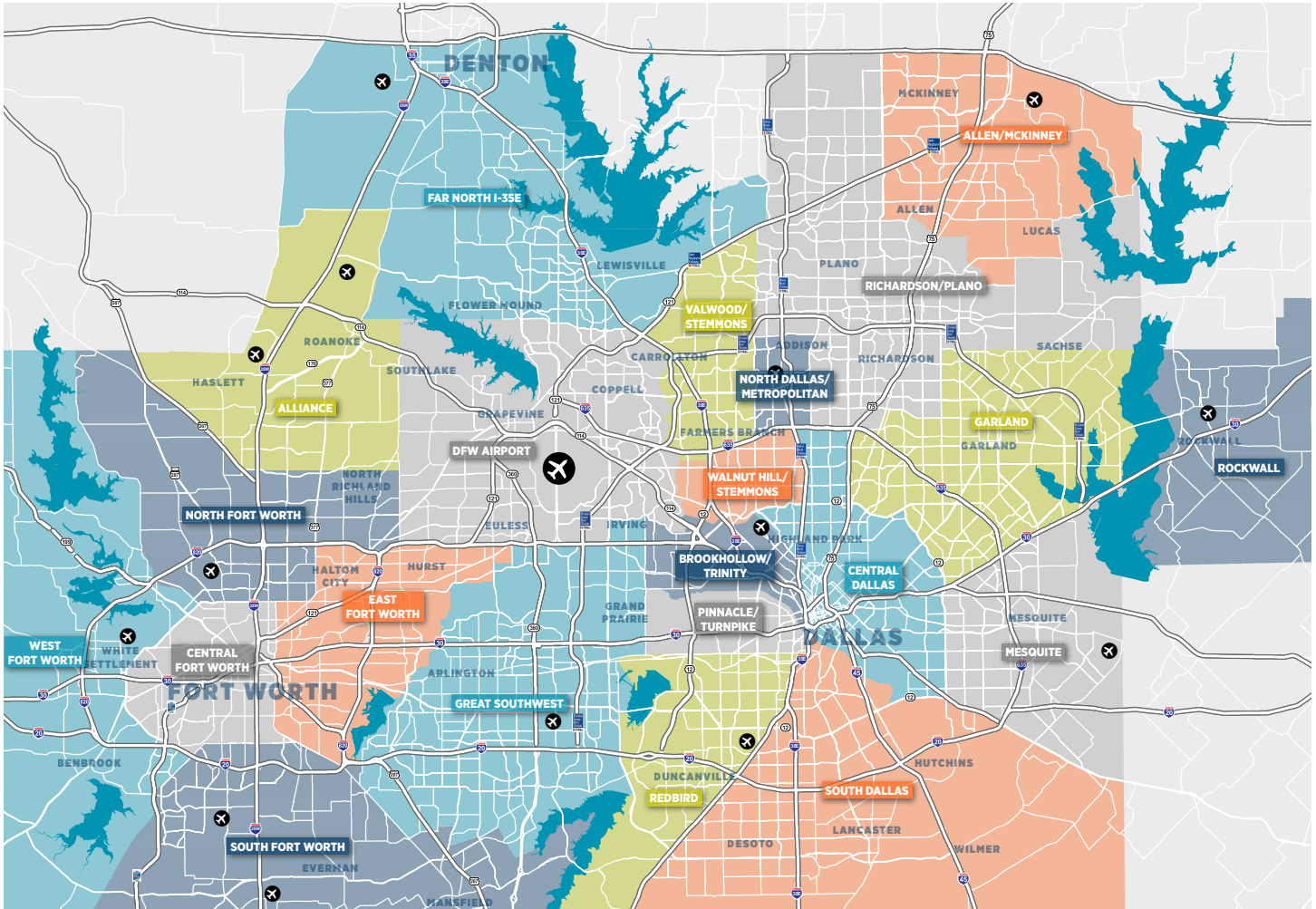
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INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm with 45,000 employees in more than 70 countries helping occupiers and investors optimize the value of their real estate. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2018



DALLAS INDUSTRIAL

Economic Indicators*

	Q1 17	Q1 18	12-Month Forecast
DFW Employment	3,565k	3,652k	▲
DFW Unemployment	4.0%	3.4%	▼
U.S. Unemployment	4.7%	4.1%	▼

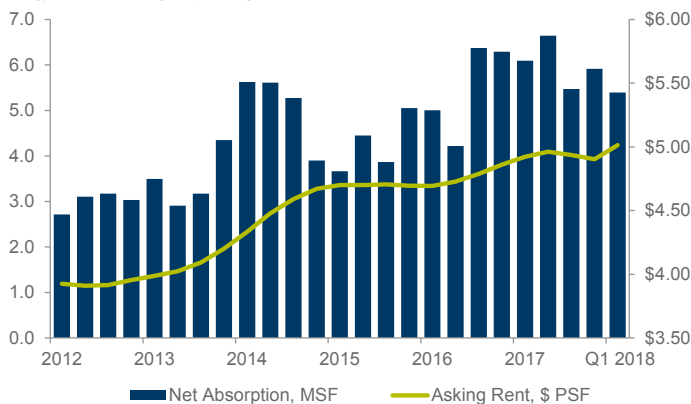
*Q1 data is based on the average of January & February values

Market Indicators (Overall, All Property Types)

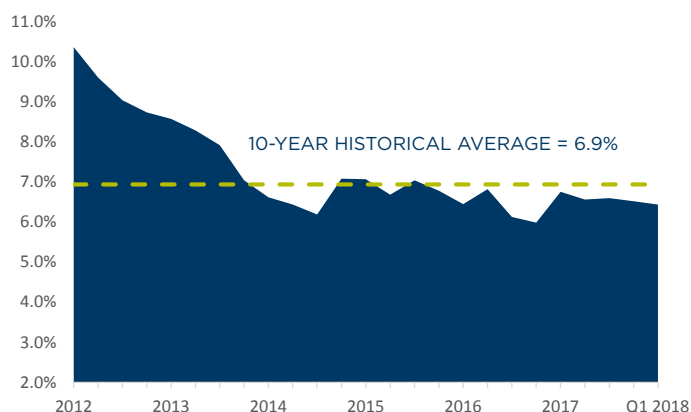
	Q1 17	Q1 18	12-Month Forecast
Overall Vacancy	6.9%	6.4%	■
Net Absorption (SF)	5.3M	3.2M	■
Under Construction (SF)	21.2M	20.2M	■
Average Asking Rent*	\$4.96	\$5.40	▲

*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent 4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth-Arlington economy continues to thrive as population and employment growth persist. According to Moody's Analytics, the region's population increased by 136,000 year-over-year, reaching 7.5 million people at the end of March. Equating to an average of 375 new residents each day. During the same time period, the Dallas-Fort Worth-Arlington employment base increased by 87,000, dropping the unemployment rate by 60 basis points (bps) to 3.4% at the close of Q1 2018. Out of the 87,000 jobs added, 28% (24,500 jobs) can be attributed to the industrial sector, which is comprised of goods-producing and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 61% of the entire industrial sector and is the leading indicator for the demand of industrial space.

Market Overview

With the first quarter of 2018, Cushman & Wakefield expanded its industrial research to reflect a rapidly expanding North Texas market. Nearly 800,000 acres were added to the coverage area, encompassing 110 million square feet (msf) of inventory, bringing the total to 717.4 msf of leasable space. Note: Cushman & Wakefield of Dallas tracks industrial buildings that are at least 20,000 square feet (sf) in size.

The Dallas-Fort Worth industrial market continues to tighten, closing Q1 2018 with a vacancy rate of 6.4%. This marks a 40 bps decrease when compared to the 6.8% rate at the end of Q1 2017. Year-over-year, Alliance (6.1% vacancy), Garland (6.3%), and Far North I-35E (3.2%) led the market in vacancy declines, with rates dropping 590 bps, 250 bps, and 240 bps, respectively.

Dallas-Fort Worth's industrial market generated 3.2 msf of net absorption in Q1 2018. Warehouse/Distribution space recorded the largest quarterly net gain out of all product types, posting 3.1 msf of absorption throughout Q1 2018. This growth accounts for 94% of the total occupancy gains in the DFW market. The DFW Airport submarket experienced the largest occupancy growth - posting 1.2 msf during the first quarter, which can be attributed to both newly built Logistics Center buildings (II & III) becoming fully occupied.

MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2018



The Alliance submarket was not far behind, absorbing nearly 900,000 sf, with two-thirds coming from 3M occupying 603,000 sf at Alliance Center.

During the first quarter of 2018, developers added nearly 3.1 msf of new product to the local inventory. With the Warehouse/Distribution classification (2.9 msf) making up nearly all the Q1 2018 deliveries. Of the 12 projects completed, the average building size was about 256,000 sf. The South Dallas (1.1 msf) and Alliance (785,000 sf) submarkets continue to lead in development; accounting for 61% of new product delivered during the quarter. Cushman & Wakefield is tracking an additional 55 properties under construction

DEVELOPERS ADDED 3.1 MSF OF NEW INDUSTRIAL PRODUCT DURING Q1 2018. BUT, DEMAND COVERED THAT AND MORE, RESULTING IN 3.2 MSF OF NET ABSORPTION.

totaling 20.2 msf. Of this, about half, or 10.7 msf, is expected to be completed by midyear. Based on current demand, however, the overall vacancy rate is not expected to increase. than 35.3 msf of absorption for the year.

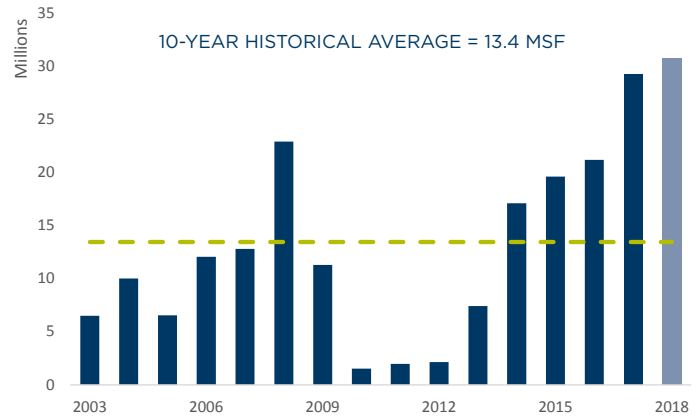
Overall net average asking lease rates continue to climb, ending the quarter at \$5.40 per square foot (psf) on an annual basis. This represents an impressive 8.9% jump compared to Q1 2017 (\$4.96 psf). Among industrial product types, year-over-year asking rents for Manufacturing space were up 12.2%, from \$3.76 psf to \$4.22 psf, while rates for Warehouse/Distribution remained static at \$4.27 psf. Office/flex asking experienced the only decrease in rates, from \$9.63 psf to \$9.13 psf.

Outlook

- Cushman & Wakefield is currently tracking 10.7 msf of new industrial product slated to be delivered in Q2 2018.
- As industrial users battle for workers, projects that offer access to a ready supply of labor will have an advantage over the competition.
- The market will see an increase in redevelopment projects as a shortage of available land sites persists. Land in or near the majority of established industrial parks in North Texas has already been snapped up; only infill sites remain.

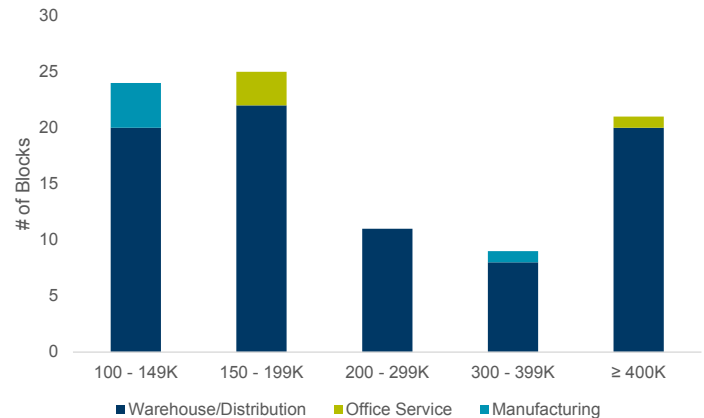
New Supply

NEW SUPPLY IN 2018 EXPECTED TO EXCEED THE HISTORICAL AVERAGE BY 129%.



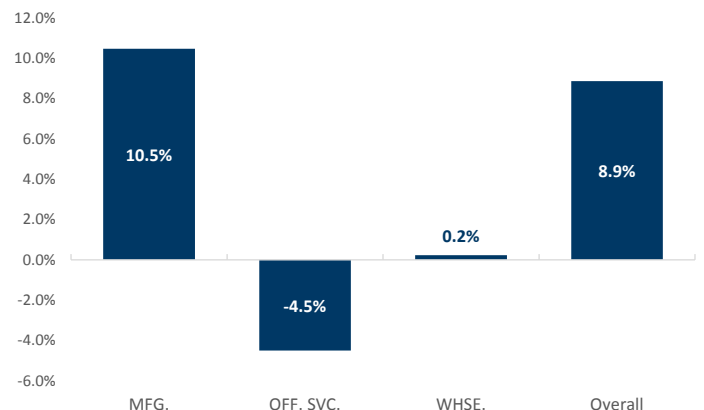
Large Block Space

BLOCKS OF AVAILABLE CONTIGUOUS SPACE (SPACES ARE ONLY COUNTED ONCE)



Asking Rent % Change by Product Type

OVERALL LEASE RATES FOR THE DFW MARKET INCREASED 8.9% YEAR-OVER-YEAR



MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2018



SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q1 NET ABSORPTION	2018 YTD NET ABSORPTION	UNDER CONSTRUCTION	2018 YTD COMPLETIONS	OVERALL AVG. ASKING RENT*	DIRECT AVG. ASKING RENT
Allen/McKinney	79	7,521,057	200,933	209,488	2.7%	2.8%	0	0	490,950	0	\$7.70	\$7.19
Alliance	141	39,359,335	1,997,062	2,404,862	5.1%	6.1%	893,115	893,115	3,002,473	785,500	\$3.85	\$3.85
Brookhollow/Trinity	889	48,802,343	1,031,818	1,072,874	2.1%	2.2%	-20,962	-20,962	0	0	\$8.61	\$8.70
Central Dallas	216	14,424,995	360,857	366,357	2.5%	2.5%	0	0	0	0	-	-
DFW Airport	546	79,638,442	4,562,697	4,898,345	5.7%	6.2%	1,228,691	1,228,691	1,578,126	325,795	\$6.56	\$6.65
Far North/I-35	206	18,027,694	537,030	570,530	3.0%	3.2%	0	0	607,775	0	\$5.89	\$6.00
Garland	532	43,930,950	2,181,145	2,760,433	5.0%	6.3%	298,314	298,314	764,400	0	\$4.07	\$4.71
Great Southwest	1011	107,432,911	8,837,531	9,029,082	8.2%	8.4%	964,314	964,314	2,963,312	509,733	\$4.66	\$4.68
Mesquite	179	17,997,954	1,960,778	1,960,778	10.9%	10.9%	-440,860	-440,860	1,364,430	0	\$5.59	\$5.59
North Dallas/Metropolitan	335	19,367,912	1,092,749	1,120,573	5.6%	5.8%	-232,846	-232,846	0	0	\$7.33	\$7.35
Pinnacle/Turnpike	212	27,963,575	1,620,235	1,837,165	5.8%	6.6%	-189,617	-189,617	0	378,400	\$4.26	\$4.43
Redbird	202	22,129,499	716,954	716,954	3.2%	3.2%	-130,500	-130,500	0	0	\$3.36	\$3.36
Richardson/Plano	481	36,171,641	2,394,741	2,498,566	6.6%	6.9%	0	0	159,908	0	\$9.71	\$9.92
Rockwall	34	2,729,554	4,066	4,066	0.1%	0.1%	0	0	0	0	\$10.24	\$10.24
South Dallas	222	46,170,795	9,025,729	9,025,729	19.5%	19.5%	481,076	481,076	7,283,885	1,078,380	\$3.41	\$3.41
Valwood/N Stemmons	550	50,362,030	1,917,689	2,126,142	3.8%	4.2%	27,621	27,621	235,900	0	\$5.59	\$5.75
Walnut Hill/Stemmons	482	22,165,365	500,649	508,149	2.3%	2.3%	0	0	0	0	\$5.16	\$5.16
DALLAS TOTAL	4,493	486,567,215	33,886,985	34,848,737	7.0%	7.2%	3,219,214	20,568,661	14,444,869	14,444,869	\$5.10	\$5.17
Central Fort Worth	298	16,008,482	281,306	281,306	1.8%	1.8%	-79,277	-79,277	0	0	\$5.05	\$5.05
East Fort Worth	426	23,482,411	1,346,674	1,398,274	5.7%	6.0%	67,826	67,826	0	0	\$4.50	\$4.73
North Fort Worth	340	42,605,217	1,144,574	1,155,574	2.7%	2.7%	128,623	128,623	1,323,485	0	\$4.97	\$4.92
South Fort Worth	282	26,896,883	1,817,341	1,828,038	6.8%	6.8%	240,000	240,000	308,061	0	\$4.36	\$4.36
West Fort Worth	76	4,254,345	374,036	423,236	8.8%	9.9%	0	0	90,000	0	\$7.33	\$7.33
FORT WORTH TOTAL	1,422	113,247,338	4,963,931	5,086,428	4.4%	4.5%	357,172	357,172	1,721,546	0	\$5.32	\$5.35
DFW TOTAL	7,739	717,443,390	43,906,594	46,196,521	6.1%	6.4%	3,235,518	3,235,518	20,172,705	3,077,808	\$5.40	\$5.51

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q1 NET ABSORPTION	2018 NET ABSORPTION	UNDER CONSTRUCTION	2018 YTD COMPLETIONS	OVERALL AVG. ASKING RENT*	DIRECT AVG. ASKING RENT
Manufacturing	645	79,348,725	1,518,667	1,898,007	2.4%	1.9%	161,000	161,000	1,119,693	161,000	\$4.22	\$5.00
Office Service Center/ Flex	1,876	90,988,196	6,498,672	6,672,386	7.3%	7.1%	23,461	23,461	697,500	62,000	\$9.13	\$9.18
Warehouse/ Distribution	5,218	547,106,469	35,889,255	37,626,128	6.9%	6.6%	3,051,057	3,051,057	18,355,512	2,854,808	\$4.27	\$4.28
Total	7,739	717,443,390	43,906,594	46,196,521	6.1%	6.4%	3,235,518	3,235,518	20,172,705	3,077,808	\$5.40	\$5.51

*Rental rates reflect gross asking \$PSF/year

*Revisions to stats were made after the National Industrial Report was published

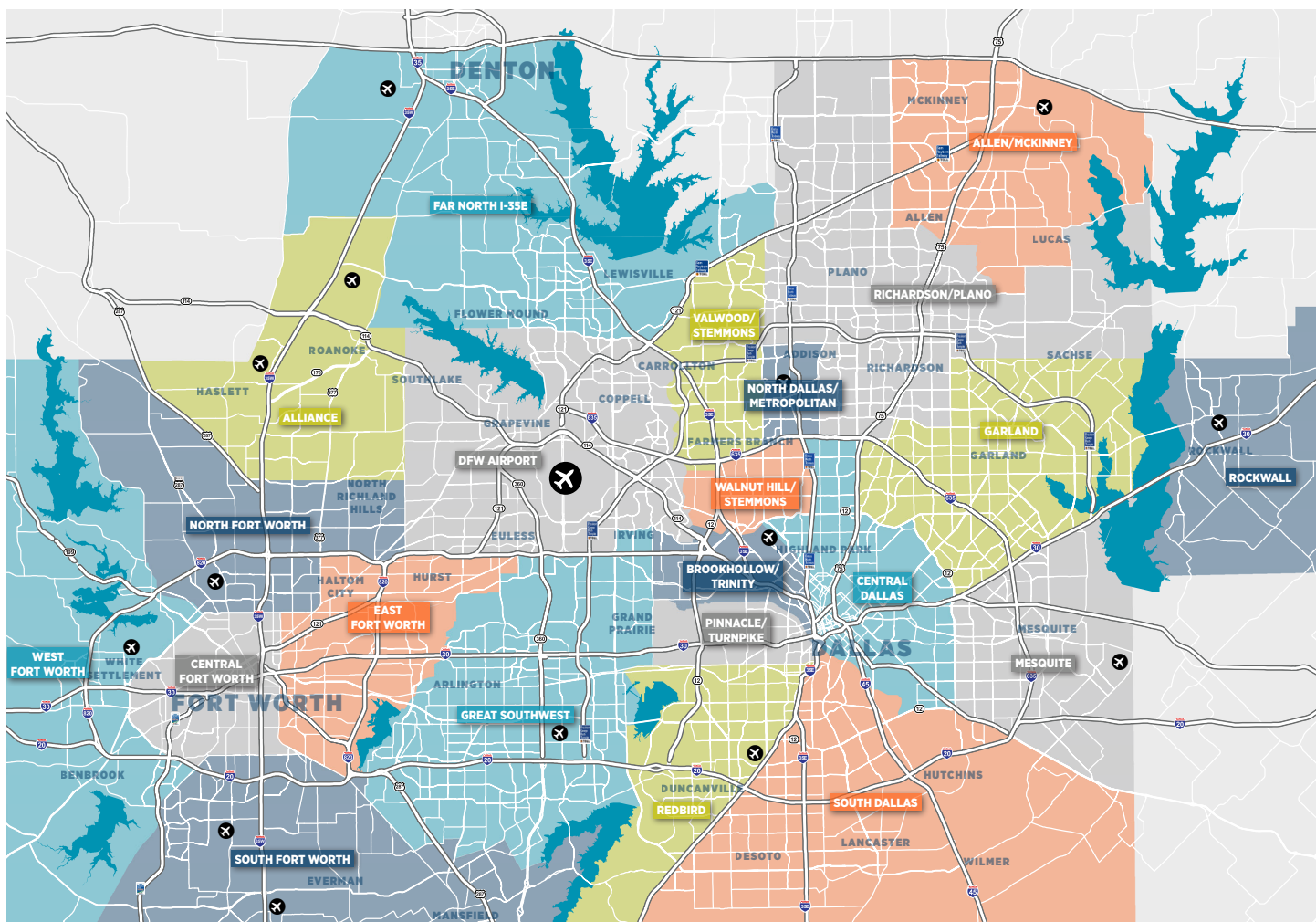
MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2018



INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm with 45,000 employees in more than 70 countries helping occupiers and investors optimize the value of their real estate. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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MARKETBEAT

Dallas-Fort Worth

Industrial Q4 2017



DALLAS INDUSTRIAL

Economic Indicators*

	Q4 16	Q4 17	12-Month Forecast
DFW Employment	3,562k	3,651k	▲
DFW Unemployment	4.0%	3.3%	▼
U.S. Unemployment	4.7%	4.1%	▼

*Q4 data is based on the average of October & November values

Market Indicators (Overall, All Property Types)

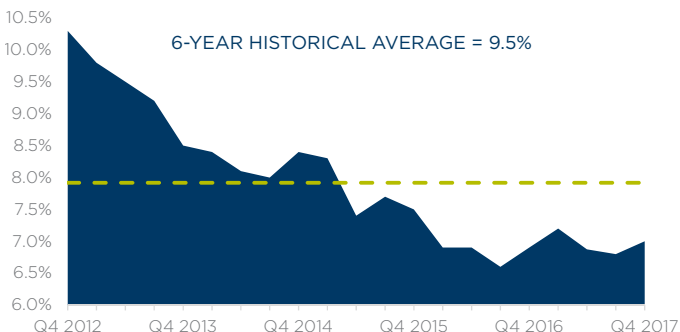
	Q4 16	Q4 17	12-Month Forecast
Overall Vacancy	6.9%	7.0%	■
Net Absorption (SF)	5.3M	4.6M	■
Under Construction (SF)	17.1M	17.9M	■
Average Asking Rent*	\$4.84	\$5.06	▲

*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent 4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth economy continues to thrive, as increases in total population and overall employment persist. According to Moody's Analytics, the region's population increased by 144,000 year-over-year, reaching 7.44 million people at the close of 2017. This equates to an average of 400 new residents each day. During the same time period, the DFW employment base increased by 90,000, pushing the unemployment rate down by 70 basis points (bps) and closing 2017 at 3.3%. Out of the 90,000 jobs added, 24% (21,000 jobs) can be attributed to the industrial sector, which is comprised of goods-producing and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 61% of the entire industrial sector and is the leading indicator for industrial space demand.

Market Overview

The Dallas-Fort Worth industrial market wrapped up 2017 with a slight increase in vacancy, posting a rate of 7.0%. This marks a 10 basis point (bps) uptick from the 6.9% rate at the close of Q4 2016. Thirteen of DFW's 19 submarkets experienced improvement in overall vacancy since the start of 2017. Since Q4 2016, Alliance (9.9% vacancy), Downtown (1.2%) and East Fort-Worth (2.2%) outperformed all other submarkets in occupancy growth, with vacancy dropping 620 bps, 170 bps, and 160 bps, respectively. Throughout 2017, developers added a record 27.4 million square feet (msf) of new product to the local market - a 22.6% increase over 2016. The Warehouse/Distribution (27.3 msf) classification made up nearly all of 2017 deliveries. Of the 86 projects completed, the average building size was 320,000 square feet (sf). GSW/Centreport (7.5 msf), I-20/Inland Port (7.2 msf) and Irving/Coppell (3.3 msf) submarkets experienced the bulk (66%) of new developments this year. Cushman & Wakefield is tracking an additional 38 industrial projects currently under construction. This equates to over 17.9 msf - 5.4 msf of which is expected to be completed by the end of Q1 2018. Approximately 5.0 msf of this product comes in the form of speculative space. However, based on current demand, the overall vacancy rate is not expected to increase.

MARKETBEAT

Dallas-Fort Worth

Industrial Q4 2017



Dallas-Fort Worth's industrial market closed out 2017 with 25.9 msf in occupancy growth – a new record. This exceeds DFW's previous all-time high for absorption in 2016, when it posted ± 23.6 msf. Warehouse/Distribution space recorded the greatest annual net gain out of all product types, posting ± 24.5 msf of absorption for 2017. This robust growth accounts for nearly 95% of the total absorption for the year. In each of the past eight quarters, absorption in the DFW metro area has exceeded ± 4.6 msf. Although move-ins exceeded move-outs in nearly all submarkets at the close of 2017, the GSW/Centreport submarket dominated with more than ± 5.3 msf of absorption for the year.

DALLAS-FORT WORTH'S INDUSTRIAL MARKET CLOSED OUT 2017 WITH 25.8 MSF IN OCCUPANCY GROWTH – A NEW RECORD. THIS EXCEEDS DFW'S PREVIOUS ALL-TIME HIGH FOR ABSORPTION IN 2016, WHEN IT POSTED 23.6 MSF.

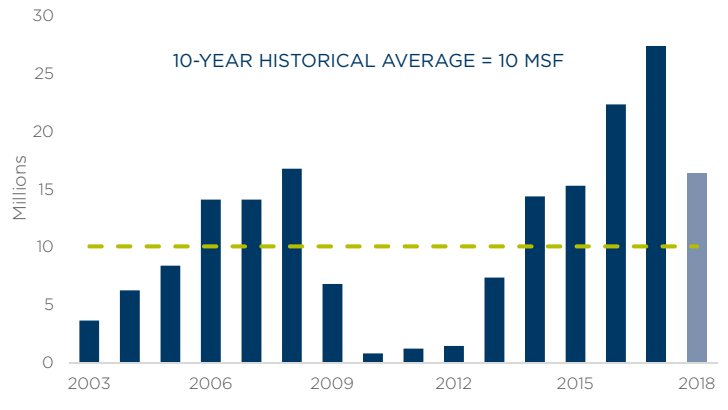
Asking lease rates continue to rise in the DFW industrial market. The year concluded with an overall average asking rate of \$5.06 per square foot (psf), marking a 4.5% increase from the rate that was in place at the end of 2016 (\$4.84 psf). The Office Service classification (\$9.75 psf) posted the largest year-over-year gain in DFW, increasing 10.5% in 2017. This is due to office tenants looking for cheaper alternatives to traditional office space, allowing landlords/owners of these spaces to increase their rates.

Outlook

- Cushman & Wakefield is currently tracking 5.4 msf of new industrial product slated to be delivered in Q1 2018, down 47% from Q1 2017.
- Average asking rates should continue to increase in 2018, due to a lack of available land for development within the in-fill submarkets and an abundance of new, well-equipped, premium space that is under construction.
- As traditional “brick and mortar” retailers continue to integrate e-commerce platforms, demand for Warehouse/Distribution space is expected to continue to increase.

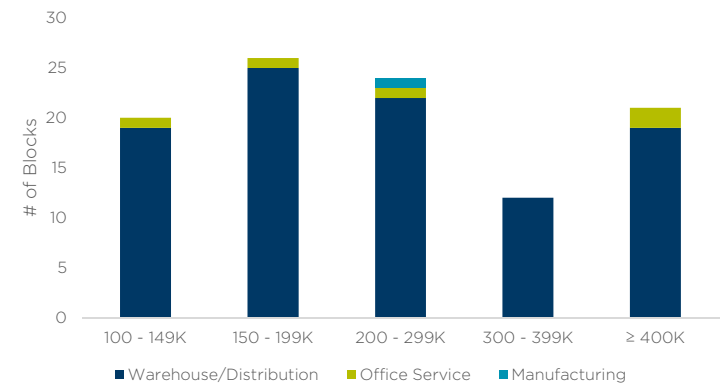
New Supply

NEW SUPPLY IN 2017 EXCEEDED THE 10-YEAR HISTORICAL AVERAGE BY 172%.



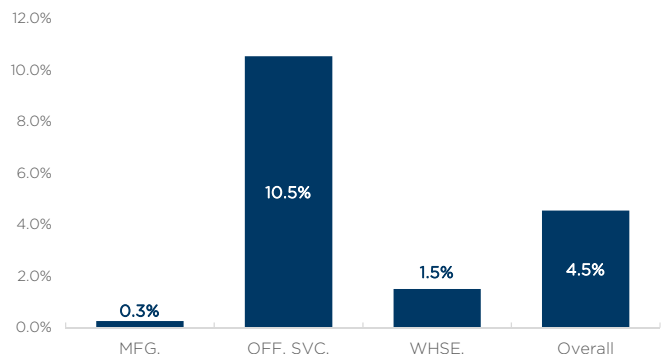
Large Block Space

BLOCKS OF AVAILABLE CONTIGUOUS SPACE (SPACES ARE ONLY COUNTED ONCE)



Asking Rent % Change by Product Type

OVERALL LEASE RATES FOR THE DFW MARKET INCREASED 4.5% IN 2017.



MARKETBEAT

Dallas-Fort Worth

Industrial Q4 2017



SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q4 NET ABSORPTION	2017 NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Richardson/Plano	362	43,493,742	1,603,988	1,734,430	3.7%	4.0%	93,981	384,855	542,270	\$9.54	\$9.78
Garland/Mesquite	509	52,034,544	3,387,791	3,826,093	6.5%	7.4%	317,897	2,107,478	1,423,230	\$3.95	\$4.34
North Dallas	418	30,942,973	579,511	594,616	1.9%	1.9%	140,876	433,714	0	\$7.26	\$7.25
Valwood	290	27,874,729	1,215,801	1,230,083	4.4%	4.4%	151,475	1,194,572	470,804	\$4.96	\$4.96
Irving/Coppell	473	74,604,855	4,660,474	4,735,573	6.2%	6.3%	1,460,392	4,297,084	1,441,513	\$5.51	\$5.55
Walnut Hill	370	21,026,573	317,638	317,638	1.5%	1.5%	159,234	470,445	0	\$5.39	\$5.39
Brookhollow	729	42,223,381	754,006	754,006	1.8%	1.8%	-14,414	-11,323	0	\$8.03	\$8.03
Pinnacle	138	20,023,776	941,944	1,101,064	4.7%	5.5%	-39,696	883,379	509,733	\$3.55	\$3.56
Downtown	157	11,063,563	132,440	132,440	1.2%	1.2%	77,014	289,632	0	\$1.30	\$1.30
Redbird	149	19,377,842	1,182,484	1,182,484	6.1%	6.1%	155,236	1,432,754	1,300,000	\$3.85	\$3.85
GSW/Centreport	711	92,981,913	9,574,933	9,698,793	10.3%	10.4%	521,496	5,320,376	2,835,038	\$4.33	\$4.33
Far North I-35	129	17,692,612	678,839	684,381	3.8%	3.9%	11,180	527,976	0	\$8.48	\$8.46
I-20/Inland Port	58	33,226,712	8,857,136	8,857,136	26.7%	26.7%	184,543	3,237,719	5,922,281	\$3.50	\$3.50
DALLAS TOTAL	4,493	486,567,215	33,886,985	34,848,737	7.0%	7.2%	3,219,214	20,568,661	14,444,869	\$5.10	\$5.17
Alliance	94	35,420,350	3,491,529	3,491,529	9.9%	9.9%	257,317	3,191,933	2,133,434	\$4.39	\$4.39
N. Fort Worth	265	34,121,363	2,329,046	2,329,046	6.8%	6.8%	903,433	1,972,805	1,059,625	\$6.18	\$6.18
Center City	356	15,229,811	360,480	360,480	2.4%	2.4%	0	58,000	0	\$2.55	\$2.55
E. Fort Worth	336	16,581,183	352,102	371,202	2.1%	2.2%	239,775	333,415	0	\$4.04	\$4.04
S. Fort Worth	132	17,650,557	1,252,236	1,252,236	7.1%	7.1%	20,390	-177,910	287,261	\$3.91	\$3.91
W. Fort Worth	25	1,005,014	51,808	51,808	5.2%	5.2%	0	-51,808	0	\$3.50	\$3.50
FORT WORTH TOTAL	1,208	120,008,278	7,837,201	7,856,301	6.5%	6.5%	1,420,915	5,326,435	3,480,320	\$4.87	\$4.87
DFW TOTAL	5,701	606,575,493	41,724,186	42,705,038	6.9%	7.0%	4,640,129	25,895,096	17,925,189	\$5.06	\$5.11

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q4 NET ABSORPTION	2017 NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Manufacturing	133	16,252,827	315,619	315,619	1.9%	1.9%	133,211	317,063	1,031,000	\$3.85	\$3.85
Office Service Center/ Flex	934	70,534,495	5,371,455	5,447,726	7.6%	7.7%	92,710	1,066,349	0	\$9.79	\$9.79
Warehouse/ Distribution	4,634	519,788,171	36,037,112	36,941,693	6.9%	7.1%	4,414,208	24,511,684	16,894,189	\$4.06	\$4.09
Total	5,701	606,575,493	41,724,186	42,705,038	6.9%	7.0%	4,640,129	25,895,096	17,925,189	\$5.06	\$5.11

*Rental rates reflect gross asking \$PSF/year

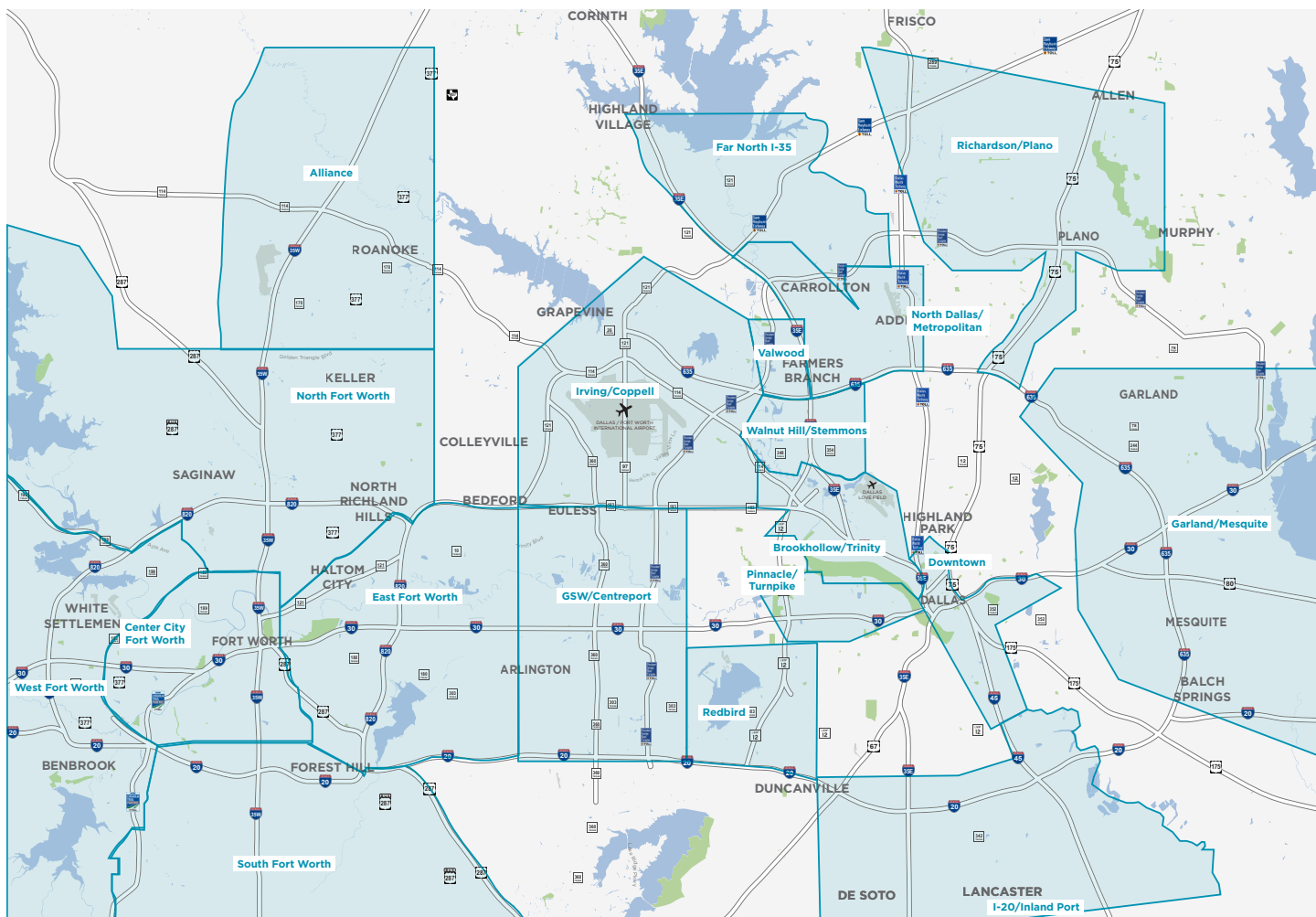
MARKETBEAT

Dallas-Fort Worth

Industrial Q4 2017



INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

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MARKETBEAT

Dallas-Fort Worth

Industrial Q3 2017



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DALLAS INDUSTRIAL

Economic Indicators*

	Q3 16	Q3 17	12-Month Forecast
DFW Employment	3,519	3,617	▲
DFW Unemployment	3.9%	3.6%	▼
U.S. Unemployment	4.9%	4.4%	▼

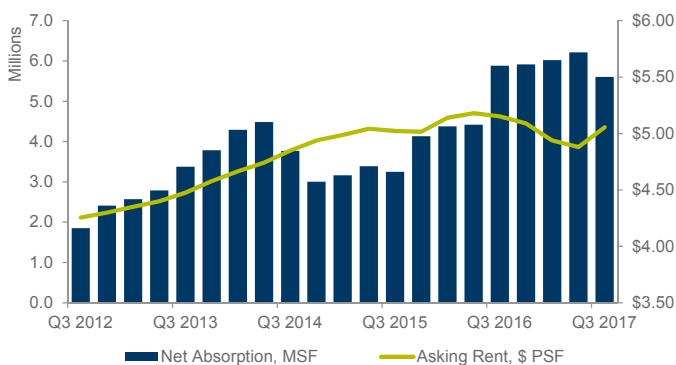
*Q3 data is based on the average of July & August values

Market Indicators (Overall, All Property Types)

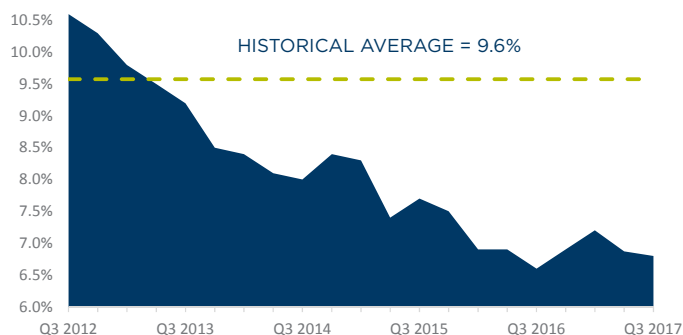
	Q3 16	Q3 17	12-Month Forecast
Overall Vacancy	6.6%	6.8%	■
Net Absorption (SF)	7.8M	4.8M	▲
Under Construction (SF)	21.7M	13.5M	■
Average Asking Rent*	\$4.89	\$5.59	▲

*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent 4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth-Arlington economy continues to thrive, as increases in total population and overall employment endure. According to Moody's Analytics, population increased by $\pm 144,000$ year-over-year, reaching ± 7.43 million people at the end of Q3 2017. This equates to an average of ± 400 new residents each day. During the same time period, the Dallas-Fort Worth-Arlington employment base increased by $\pm 98,000$, dropping the unemployment rate by 30-basis-points (bps) and closing the third quarter of 2017 at 3.6%. Out of the $\pm 98,000$ jobs added, 27% (26,000 jobs) can be attributed to the industrial sector, which is comprised of goods producing and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 62% of the entire industrial sector and is the leading indicator for industrial space demand.

Market Overview

The Dallas-Fort Worth industrial market continued to display strong fundamentals through the third quarter of 2017, recording a vacancy rate of 6.8%, equal to a 10 bps decrease since the second quarter of 2017. Of DFW's 19 industrial submarkets, eight saw a decline in overall vacancy. The I-20/ Inland Port (22.1% vacancy) and Alliance (11.8%) submarkets set the pace for sharpest declines, dropping 190 bps and 140 bps, respectively. Conversely, with a 250 bps uptick, the GSW/Centreport submarket experienced the largest year-over-year increase in vacancy. A significant portion of this jump can be attributed to CentrePort—Building 1 and 2, totaling over 700,000 square feet (sf) of unoccupied space, both of which delivered during Q3. Throughout 2017, the GSW/Centreport submarket has added more than 5 million square feet (msf) of speculative warehouse/distribution product.

The third quarter of 2017 concluded with nearly 4.8 msf of occupancy growth, down from the 5.7 msf recorded in the second quarter of 2017. Throughout the first three quarters of 2017, the Dallas-Fort Worth industrial market has absorbed a staggering 17.1 msf and is poised to exceed 20 msf in 2017, for the second straight year. In terms of industrial categories, warehouse/distribution space remains in high demand, posting approximately 5 msf in net gains—more

MARKETBEAT

Dallas-Fort Worth

Industrial Q3 2017



CELEBRATING
100
YEARS

than DFW's overall total, which was offset by absorption losses in other product types. The N. Fort Worth and I-20/ Inland Port submarkets led the DFW market in absorption for the quarter, with just over 1 msf each. The total absorption in N. Fort Worth can be attributed to Campbell Soup Supply Co. occupying more than 500,000 sf at TDC Park 35/820 and S&S Activewear occupying just under 500,000 sf at Mercantile Center. The most notable move-in for the Garland/Mesquite submarket was FedEx, which occupied its new 344,000-square-foot building.

More than 3.7 msf of new product was added to the DFW industrial inventory during the third quarter of 2017, bringing the year-to-date total to nearly 15 msf. Of that amount, 95% is classified as warehouse/distribution space. Cushman & Wakefield is tracking an additional 13.5 msf of industrial product currently under construction, of which 84% is speculative space with 55% available for prelease. This marks a 62% drop compared to a year ago, when 21.7 msf of industrial space was under construction.

THROUGHOUT THE FIRST THREE QUARTERS OF 2017, THE DALLAS-FORT WORTH INDUSTRIAL MARKET HAS ABSORBED MORE THAN 17.1 MSF AND IS POISED TO EXCEED 20 MSF IN 2017, FOR THE SECOND STRAIGHT YEAR.

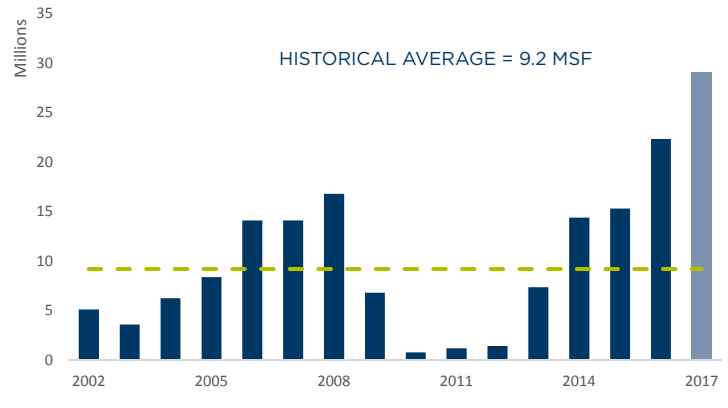
The overall average asking rate for DFW industrial space increased in Q3 2017 and currently stands at \$5.59 per square foot (psf). This marks a 13% (\$0.66 psf) increase quarter-over-quarter.

Outlook

- The Dallas-Fort Worth industrial market could see vacancy increase in the remainder of 2017, with more than 13.4 msf of construction in the pipeline.
- Average asking rates should continue to increase, due to the abundance of new, well-equipped, premium space under construction.
- As traditional "brick and mortar" retailers build more robust e-commerce platforms, demand for Warehouse/Distribution space is expected to continue to grow.

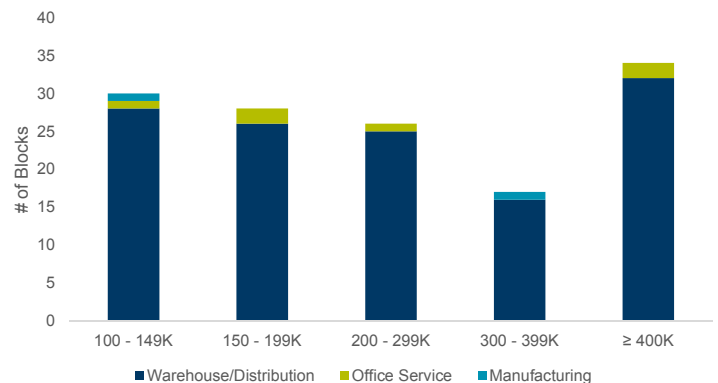
New Supply

NEW SUPPLY IN 2017 IS EXPECTED TO EXCEED THE HISTORICAL AVERAGE BY 215%.



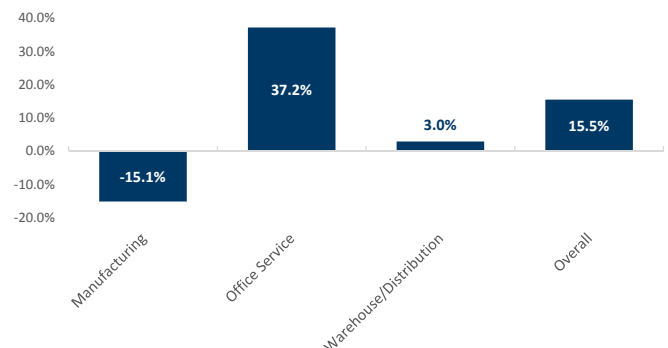
Large Block Space

BLOCKS OF CONTIGUOUS SPACE (BUILDINGS ARE ONLY COUNTED ONCE)



Asking Rent % Change by Product Type

THE OVERALL RATE FOR THE DFW MARKET HAS INCREASED 15.5% IN 2017.



MARKETBEAT

Dallas-Fort Worth

Industrial Q3 2017



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100
YEARS

SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q3 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Richardson/Plano	360	43,429,992	1,527,876	1,807,307	3.5%	4.2%	28,833	254,725	45,120	\$12.51	\$14.07
Garland/Mesquite	506	51,089,170	3,394,844	3,833,146	6.6%	7.5%	813,450	1,407,137	494,000	\$4.62	\$5.14
North Dallas	419	31,177,767	1,057,805	1,057,805	3.4%	3.4%	-36,936	-29,475	0	\$6.70	\$6.70
Valwood	287	27,421,941	1,085,817	1,100,099	4.0%	4.0%	359,077	954,737	520,692	\$6.01	\$5.20
Irving/Coppell	467	72,863,964	4,536,096	4,588,682	6.2%	6.3%	603,695	2,410,186	3,346,902	\$7.15	\$7.15
Walnut Hill	370	21,026,573	438,805	438,805	2.1%	2.1%	7,159	287,825	0	\$5.15	\$5.15
Brookhollow	729	42,223,381	675,248	675,248	1.6%	1.6%	115,527	86,615	0	\$8.28	\$8.28
Pinnacle	137	19,808,776	909,248	1,068,368	4.6%	5.4%	-129,897	708,075	509,733	\$3.53	\$3.54
Downtown	157	11,063,563	209,454	209,454	1.9%	1.9%	0	212,618	0	\$2.35	\$2.35
Redbird	149	19,342,249	1,126,085	1,129,585	5.8%	5.8%	15,489	1,308,753	0	\$3.80	\$3.80
GSW/Centreport	704	90,716,994	9,149,340	9,271,866	10.1%	10.2%	294,961	3,395,174	1,882,645	\$4.34	\$4.34
Far North I-35	127	17,576,362	604,389	609,931	3.4%	3.5%	245,489	458,596	0	\$8.28	\$8.26
I-20/Inland Port	53	30,549,555	6,745,022	6,745,022	22.1%	22.1%	1,068,025	2,555,676	4,186,898	\$3.51	\$3.51
DALLAS TOTAL	4,465	478,290,287	31,460,029	32,535,318	6.6%	6.8%	3,384,872	14,010,642	10,985,990	\$5.71	\$5.78
Alliance	92	34,470,350	4,054,824	4,054,824	11.8%	11.8%	478,925	1,956,304	1,920,701	\$3.70	\$3.70
N. Fort Worth	262	33,474,537	2,386,828	2,386,828	7.1%	7.1%	1,084,667	1,252,654	600,000	\$8.91	\$8.91
Center City	356	15,229,811	360,480	360,480	2.4%	2.4%	0	58,000	0	\$2.68	\$2.68
E. Fort Worth	336	16,581,183	543,151	547,551	3.3%	3.3%	41,563	89,240	0	\$4.05	\$4.03
S. Fort Worth	130	17,161,993	538,372	538,372	3.1%	3.1%	-231,640	-198,300	0	\$5.02	\$5.02
W. Fort Worth	24	958,363	51,808	51,808	5.4%	5.4%	0	-51,808	0	\$3.50	\$3.50
FORT WORTH TOTAL	1,200	117,876,237	7,935,463	7,939,863	6.7%	6.7%	1,373,515	3,106,090	2,520,701	\$5.09	\$5.09
DFW TOTAL	5,665	596,166,524	39,395,492	40,475,181	6.6%	6.8%	4,758,387	17,116,732	13,506,691	\$5.59	\$5.64

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q3 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Manufacturing	132	16,212,827	381,950	494,459	2.4%	3.0%	-203,990	93,103	76,120	\$3.26	\$3.85
Office Service Center/ Flex	937	71,347,748	5,799,070	5,886,156	8.1%	8.2%	57,067	626,182	100,000	\$12.10	\$12.18
Warehouse/Distribution	4,596	508,605,949	33,214,472	34,094,566	6.5%	6.7%	4,905,310	16,397,447	13,330,571	\$4.16	\$4.14
Total	5,665	596,166,524	39,395,492	40,475,181	6.6%	6.8%	4,758,387	17,116,732	13,506,691	\$5.59	\$5.64

*Rental rates reflect gross asking \$PSF/year

MARKETBEAT

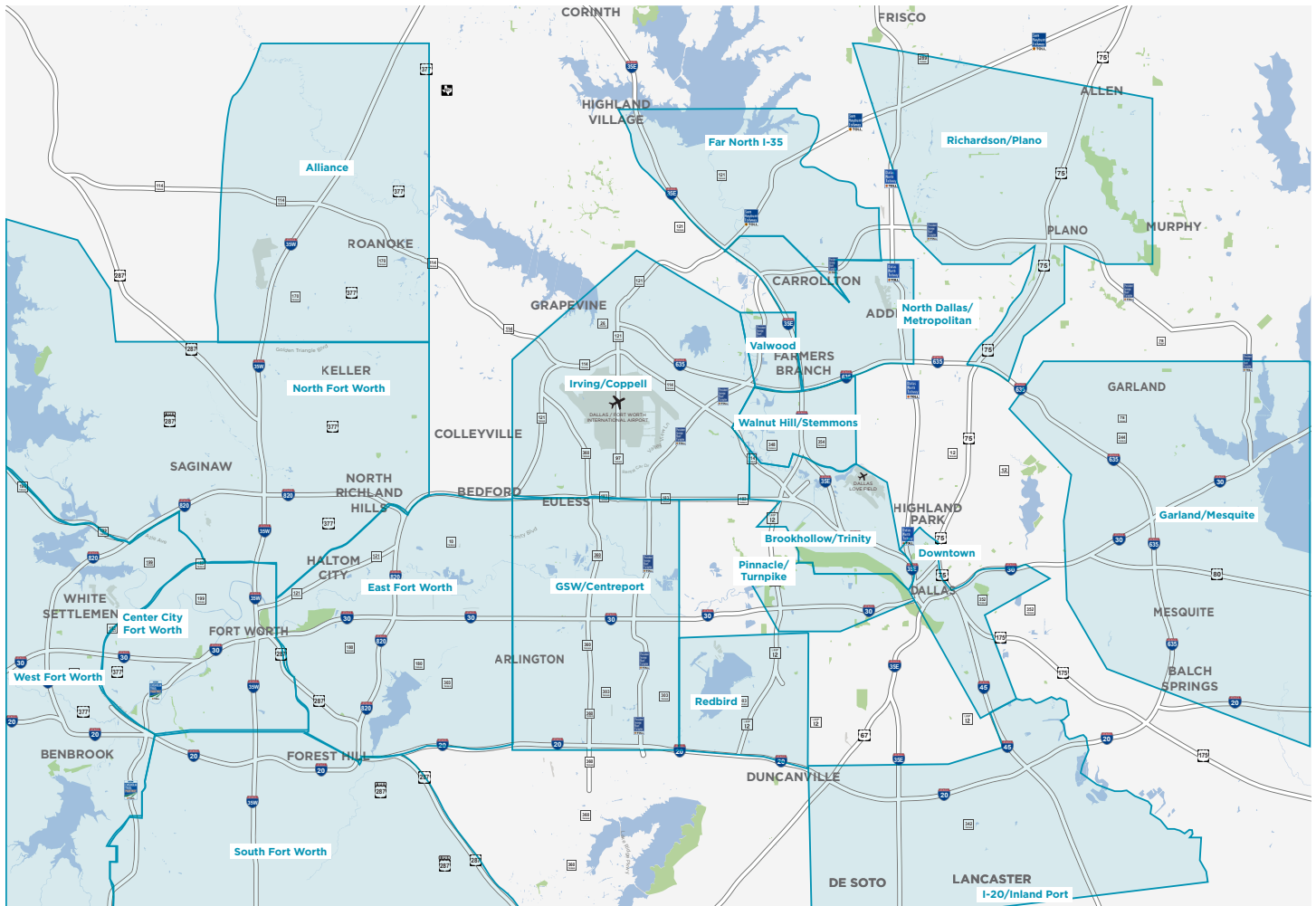
Dallas-Fort Worth

Industrial Q3 2017



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INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 45,000 employees in more than 70 countries help occupiers and investors optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. 2017 marks the 100-year anniversary of the Cushman & Wakefield brand. 100 years of taking our clients' ideas and putting them into action. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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MARKETBEAT

Dallas-Fort Worth

Industrial Q2 2017



CELEBRATING
100
YEARS

DALLAS INDUSTRIAL

Economic Indicators*

	Q2 16	Q2 17	12-Month Forecast
DFW Employment	3,488	3,593	▲
DFW Unemployment	3.9%	4.3%	▼
U.S. Unemployment	4.9%	4.4%	▼

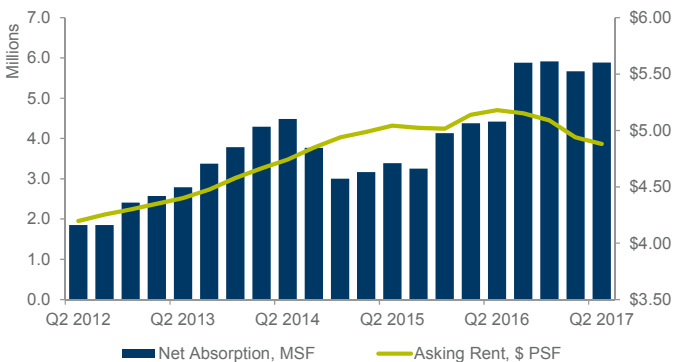
*Q2 data is based on the average of April & May values

Market Indicators (Overall, All Property Types)

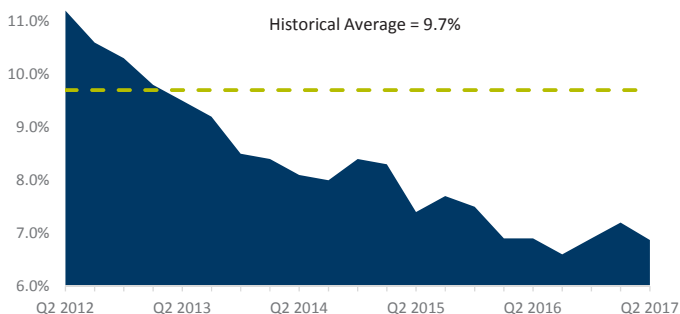
	Q2 16	Q2 17	12-Month Forecast
Overall Vacancy	6.9%	6.9%	■
Net Absorption (SF)	4.4M	5.7M	▲
Under Construction (SF)	23.9M	14.6M	■
Average Asking Rent*	\$5.16	\$4.93	▲

*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent 4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth-Arlington economy continues to flourish, as increases in total population and overall employment endure. According to Moody's Analytics, population increased by $\pm 146,000$ year-over-year, reaching ± 7.4 million people at the end of Q2 2017. This equates to an average of 400 new residents each day. During the same time period, the Dallas-Fort Worth-Arlington employment base increased by $\pm 106,000$. However, due to the amount of new people joining the labor force, the unemployment rate increased by 40-basis-points (BP) and closed the second quarter of 2017 at 4.3%. Out of the $\pm 106,000$ jobs added, 25% (26,000 jobs) can be attributed to the industrial sector, which is comprised of goods production and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 62% of the entire industrial sector and is the leading indicator of demand for warehouse and distribution space.

Market Overview

The Dallas-Fort Worth industrial market continued to display strong fundamentals through the second quarter of 2017, recording a vacancy rate of 6.9%. The market posted a 0.3% decrease in vacancy since the first quarter of 2017. Of the 19 DFW industrial submarkets, 15 saw a decline in overall vacancy, with the Pinnacle (4.7% vacancy) and Irving/Coppell (7%) submarkets setting the pace, dropping 300 BP and 150 BP, respectively. Conversely, with a 3.7% uptick, the GSW/Centreport submarket experienced the largest year-over-year increase in vacancy. A significant portion of this jump can be attributed to the unoccupied GSW Global Logistics Park—Building 3 (487,800 SF) and Parc GS—Building A (450,300 SF). In the first six months of 2017, approximately 4.4 million square feet (MSF) of speculative warehouse/distribution space was delivered in the GSW/Centreport submarket.

The second quarter of 2017 concluded with nearly 5.7 MSF of occupancy growth, a slight decrease from the 6.7 MSF recorded in the first quarter of 2017. In terms of industrial property types, warehouse/distribution space remains in high demand, posting approximately 5.4 MSF in net gains, or about 95% of total absorption for the quarter. The GSW/

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Dallas-Fort Worth

Industrial Q2 2017



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YEARS

Centreport and I-20/Inland Port submarkets led the DFW market in absorption for the quarter, with 1.9 MSF and 1 MSF, respectively. More than half of the total absorption in GSW/Centreport can be attributed to UPS occupying more than 1 MSF at Arlington Commerce Center. The most notable move-in for the I-20/Inland Port submarket was OLAM, which occupied two spaces at Commerce 20 totaling 636,000 SF. More than 3.9 MSF of new product was added to the DFW industrial inventory during the second quarter of 2017, none of which came in the form of build-to-suit projects. The Q2 2017 completions bring the year-to-date total to nearly 11.1 MSF, of which 92% is classified as warehouse/distribution space. Cushman & Wakefield is tracking an additional 14.5 MSF of industrial product currently under construction, with nearly two-thirds (64%) of the total space remaining available for prelease. This is a 40% drop to where things stood at the midyear point in 2016, when 23.9 million square feet of industrial space was under construction.

AT MIDYEAR, INDUSTRIAL ABSORPTION IS UP 12.3% COMPARED TO 2016, BUT THE CURRENT CONSTRUCTION PIPELINE IS DOWN 40%.

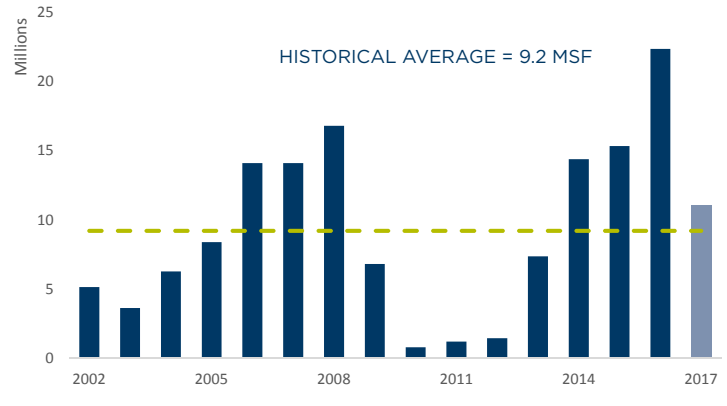
The overall net average asking rate for DFW industrial space increased slightly in Q2 2017 and currently stands at \$4.93 per square foot (PSF). This marks a 70 BP (\$0.07 PSF) increase quarter-over-quarter. Office Service/Flex space (\$9.50 PSF) increased by 4.9% (\$0.44 PSF).

Outlook

- The Dallas-Fort Worth industrial market could see vacancy increase slightly throughout 2017, with more than 14.5 MSF of construction in the pipeline.
- Average asking rates should increase, due to the abundance of new, well-equipped, premium space under construction.
- As traditional “brick and mortar” retailers continue to build more robust e-commerce platforms, demand for Warehouse/Distribution space is expected to increase

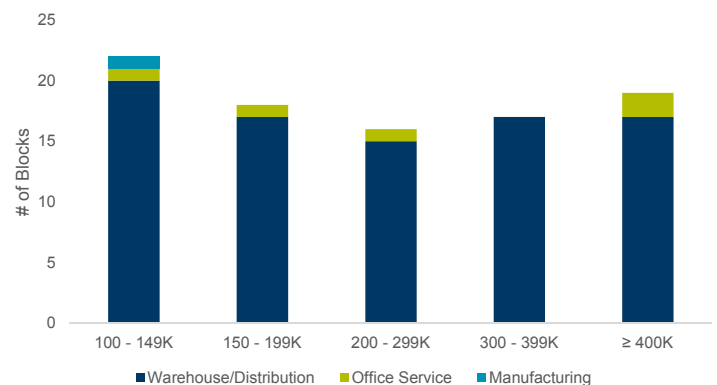
New Supply

NEW SUPPLY IN 2017 IS EXPECTED TO EXCEED THE HISTORICAL AVERAGE BY 20%.



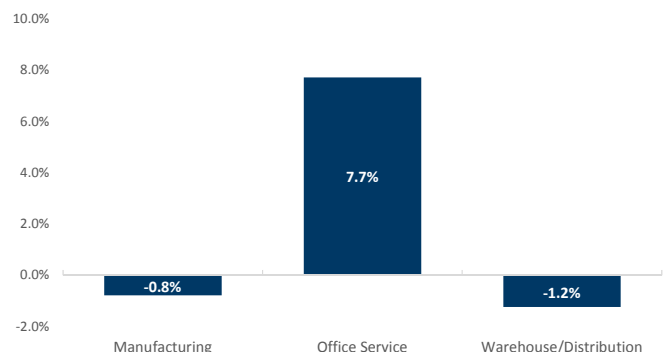
Large Block Space

BLOCKS OF CONTIGUOUS SPACE (BUILDINGS ARE ONLY COUNTED ONCE)



Asking Rent % Change by Product Type

OFFICE SERVICE/FLEX WAS THE ONLY PRODUCT TYPE TO EXPERIENCE AN INCREASE IN 2017.



MARKETBEAT

Dallas-Fort Worth

Industrial Q2 2017



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YEARS

SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q2 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Richardson/Plano	360	43,429,992	1,574,154	1,851,031	3.6%	4.3%	18,132	186,322	45,120	\$8.28	\$9.14
Garland/Mesquite	504	50,475,154	3,300,142	3,764,365	6.5%	7.5%	639,900	674,015	1,108,016	\$3.78	\$3.98
North Dallas	419	31,177,767	1,063,673	1,063,673	3.4%	3.4%	154,714	-8,028	0	\$6.93	\$6.93
Valwood	286	27,091,841	1,058,816	1,058,816	3.9%	3.9%	115,293	540,235	847,618	\$5.31	\$5.31
Irving/Coppell	467	72,863,964	5,022,967	5,075,553	6.9%	7.0%	304,415	1,554,514	2,235,827	\$5.55	\$5.54
Walnut Hill	370	21,026,573	360,480	360,480	1.7%	1.7%	130,111	261,621	0	\$5.08	\$5.08
Brookhollow	729	42,223,381	746,235	746,235	1.8%	1.8%	-33,316	11,128	0	\$7.75	\$7.75
Pinnacle	137	19,808,776	765,776	924,896	3.9%	4.7%	597,882	851,547	0	\$3.53	\$3.55
Downtown	157	11,063,563	209,454	209,454	1.9%	1.9%	110,069	212,618	0	\$2.35	\$2.35
Redbird	149	19,342,249	1,372,218	1,375,718	7.1%	7.1%	8,729	1,062,620	0	\$3.93	\$3.93
GSW/Centreport	702	90,015,473	8,388,651	8,522,177	9.3%	9.5%	1,912,661	3,275,631	1,962,841	\$4.38	\$4.39
Far North I-35	125	17,375,139	649,850	655,392	3.7%	3.8%	66,911	150,618	201,223	\$7.63	\$7.60
I-20/Inland Port	52	29,929,517	7,193,009	7,193,009	24.0%	24.0%	1,021,760	1,487,651	5,010,786	\$3.51	\$3.51
DALLAS TOTAL	4,457	475,823,389	31,705,425	32,800,799	6.7%	6.9%	5,047,261	10,260,492	11,411,431	\$4.90	\$4.96
Alliance	92	34,470,350	4,533,749	4,533,749	13.2%	13.2%	141,000	1,477,379	1,920,701	\$3.73	\$3.73
N. Fort Worth	260	32,104,494	2,046,852	2,046,852	6.4%	6.4%	489,457	517,387	1,257,043	\$9.90	\$9.90
Center City	356	15,229,811	360,480	360,480	2.4%	2.4%	-32,000	58,000	0	\$2.55	\$2.55
E. Fort Worth	336	16,581,183	589,494	593,894	3.6%	3.6%	65,214	36,897	0	\$4.01	\$3.99
S. Fort Worth	130	17,161,993	310,094	310,094	1.8%	1.8%	18,928	29,978	0	\$6.78	\$6.78
W. Fort Worth	24	958,363	51,808	51,808	5.4%	5.4%	-51,808	-51,808	0	\$3.50	\$3.50
FORT WORTH TOTAL	1,198	116,506,194	7,892,477	7,896,877	6.8%	6.8%	630,791	2,067,833	3,177,744	\$5.10	\$5.09
DFW TOTAL	5,655	592,329,583	39,597,902	40,697,676	6.7%	6.9%	5,678,052	12,328,325	14,589,175	\$4.93	\$4.98

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q2 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Manufacturing	132	16,212,827	271,151	383,660	1.7%	2.4%	86,505	173,155	76,120	\$3.81	\$4.34
Office Service Center/ Flex	937	71,347,748	5,920,077	6,004,609	8.3%	8.4%	196,727	469,253	100,000	\$9.50	\$9.56
Warehouse/Distribution	4,586	504,769,008	33,406,674	34,309,407	6.6%	6.8%	5,394,820	11,685,917	14,413,055	\$3.99	\$4.01
Total	5,655	592,329,583	39,597,902	40,697,676	6.7%	6.9%	5,678,052	12,328,325	14,589,175	\$4.93	\$4.98

*Rental rates reflect gross asking \$PSF/year

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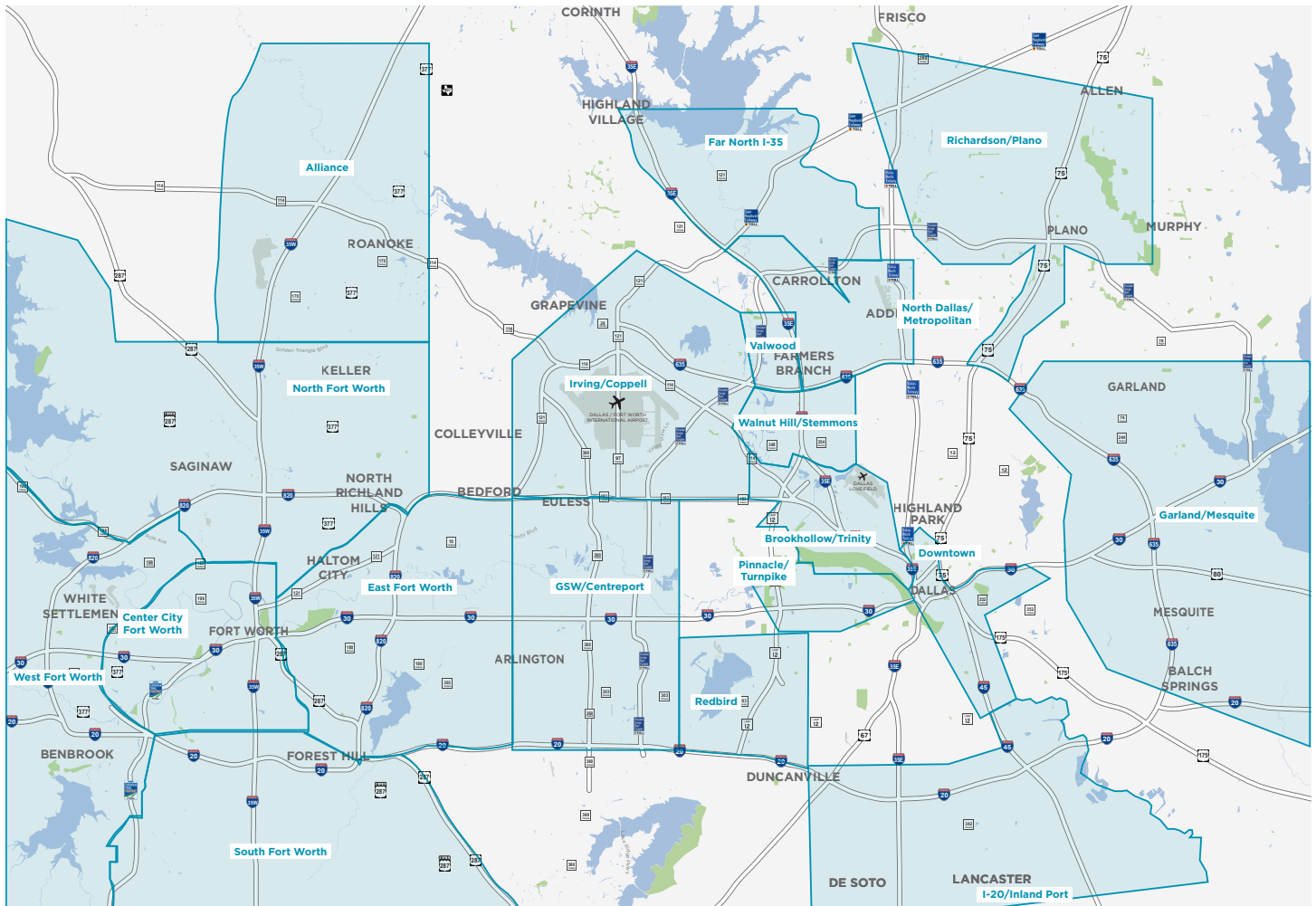
Dallas-Fort Worth

Industrial Q2 2017



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INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

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MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2017



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DALLAS INDUSTRIAL

Economic Indicators

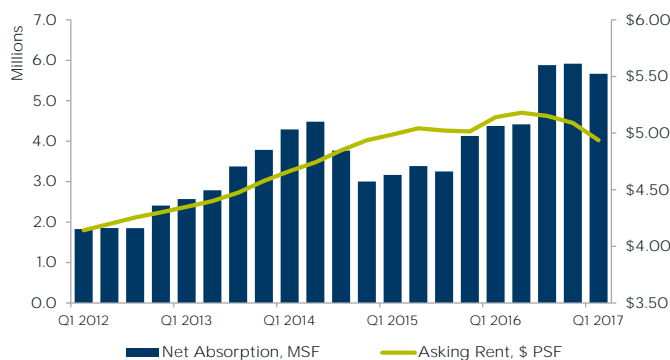
	Q1 16	Q1 17	12-Month Forecast
DFW Employment	3,470	3,595	▲
DFW Unemployment	3.9%	3.8%	▼
U.S. Unemployment	4.9%	4.8%	▼

Market Indicators (Overall, All Property Types)

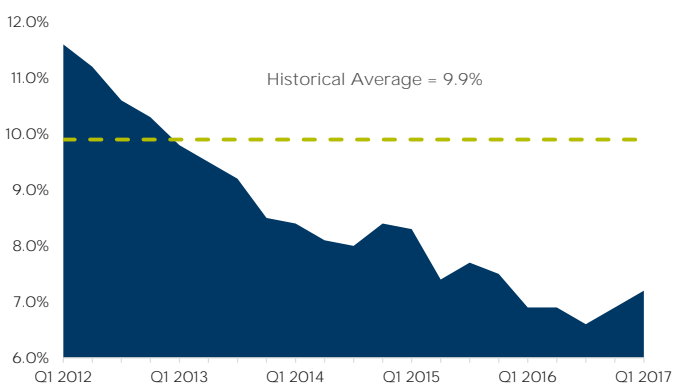
	Q1 16	Q1 17	12-Month Forecast
Vacancy	6.9%	7.2%	■
Net Absorption (SF)	6.4M	5.4M	▲
Under Construction (SF)	22.8M	15.8M	■
Average Asking Rent*	\$5.47	\$4.86	▲

*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent 4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Dallas-Fort Worth-Arlington economy continues to thrive, as increases in total population and overall employment endure. According to Moody's Analytics, population increased by $\pm 142,000$ year-over-year, reaching ± 7.3 million people at the end of Q1 2017. This equates to an average of 395 new residents each day. During the same time period, the Dallas-Fort Worth-Arlington employment base increased by $\pm 125,000$, dropping the unemployment rate by 10-basis-points (BP) and closing the first quarter of 2017 at 3.8%. Out of the $\pm 125,000$ jobs added, 31% (39,000 jobs) can be attributed to the industrial sector, which is comprised of goods producing and trade, transportation, and utilities. The trade, transportation, and utilities category accounts for 62% of the entire industrial sector and is the leading indicator for industrial space demand.

Market Overview

The Dallas-Fort Worth industrial market continues to experience robust demand, recording 5.4 million square feet (MSF) of net absorption in Q1 2017. Warehouse/Distribution space accounted for 93.3% (5 MSF) of the total. Occupancy growth took place in all but three of Dallas-Fort Worth's 19 industrial submarkets. The Alliance submarket (13.7% vacancy), located in the Fort Worth trade area, posted the largest net gain of 1.3 MSF during the first quarter. Absorption in the Alliance submarket can be attributed to both American Tire Distributors occupying 756,000 square feet at Alliance Gateway 60 and Farmer Brothers Coffee moving into its new 539,000 SF build-to-suit (BTS) facility in the city of Northlake. The Redbird submarket followed, absorbing more than 1 MSF in Q1 2017, with over half coming from Chewy.com occupying all 663,000 SF in the Mountain Distribution Center II building.

Industrial vacancy in the Dallas-Fort Worth market increased slightly in Q1 2017, climbing 30 basis points to 7.2%, quarter-over-quarter. Although occupancy grew by more than 5.4 MSF in Q1, supply outpaced demand with developers adding more than 7 MSF of new product to the local inventory. Of the 7 MSF delivered, 89.5% (6.3 MSF) was speculative

MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2017



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construction, and was only 16.8% (1.1 MSF) leased at the end of Q1 2017. Warehouse/Distribution space experienced the largest growth in inventory during the first quarter, increasing by over 6.2 MSF. In regard to new construction, six Warehouse/Distribution projects broke ground in Q1 totaling more than 4 MSF—76.4% (3 MSF) in the form of speculative

ALTHOUGH OCCUPANCY GREW BY MORE THAN 5.4 MSF IN Q1, SUPPLY OUTPACED DEMAND WITH DEVELOPERS ADDING MORE THAN 7 MSF OF NEW PRODUCT TO THE LOCAL INVENTORY.

space. Cushman & Wakefield is currently tracking more than 15.8 MSF under construction, of which 97% (15.3 MSF) is slated for completion by year-end 2017.

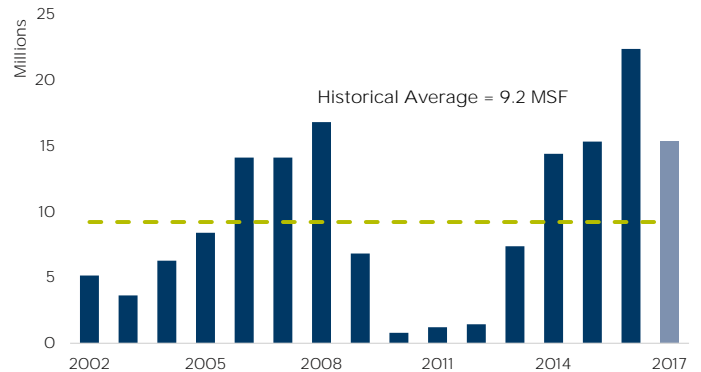
Dallas-Fort Worth's overall net average asking rate experienced a slight increase in Q1 2017 and currently stands at \$4.86 per square foot (PSF), on an annual basis. This marks a 40 BP increase (\$0.02 PSF) quarter-over-quarter. Office Service/Flex space (\$9.06 PSF) increased 2.7% (\$0.24 PSF) throughout Q1 2017, and was the only product type to experience a quarterly gain.

Outlook

- The Dallas-Fort Worth industrial market could see vacancy increase slightly throughout 2017 with more than 13 MSF of speculative construction in the pipeline.
- Average asking rates should increase due to the abundance of new, well equipped, premium space under construction.
- As traditional “brick and mortar” retailers continue to build more robust e-commerce platforms, demand for Warehouse/Distribution space is expected to increase.

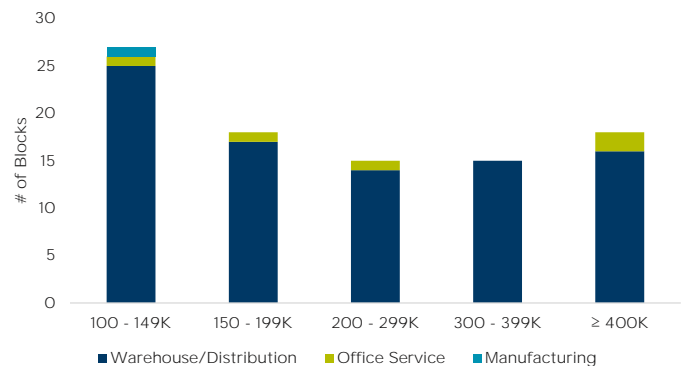
New Supply

NEW SUPPLY IN 2017 IS EXPECTED TO EXCEED THE HISTORICAL AVERAGE BY 66%.



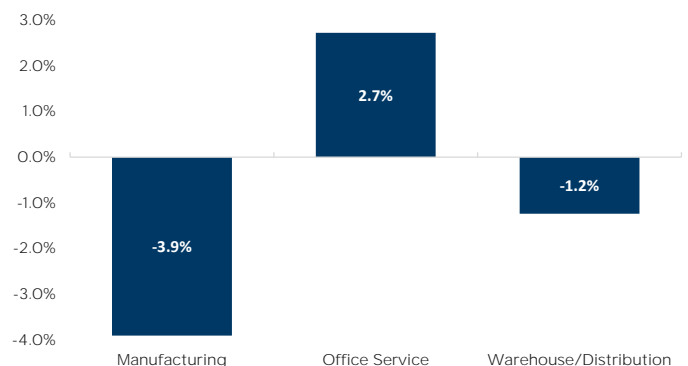
Large Block Space

BLOCKS OF CONTIGUOUS SPACE (BUILDINGS ARE ONLY COUNTED ONCE)



Asking Rent Trend NNN

OFFICE SERVICE/FLEX WAS THE ONLY PRODUCT TYPE TO EXPERIENCE A QUARTERLY INCREASE.



MARKETBEAT

Dallas-Fort Worth

Industrial Q1 2017



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YEARS

SUBMARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q1 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Richardson/Plano	360	43,429,992	1,602,140	1,871,375	3.7%	4.3%	165,978	165,978	45,120	\$8.38	\$9.28
Garland/Mesquite	503	50,339,831	3,466,364	3,973,210	6.9%	7.9%	4,392	4,392	1,243,339	\$3.77	\$4.01
North Dallas	419	31,177,767	1,081,835	1,081,835	3.5%	3.5%	-95,595	-95,595	0	\$6.86	\$6.86
Valwood	286	27,091,841	1,142,241	1,142,241	4.2%	4.2%	424,942	424,942	847,618	\$5.21	\$5.21
Irving/Coppell	465	72,472,444	6,057,675	6,110,261	8.4%	8.4%	389,736	389,736	2,338,177	\$5.67	\$5.66
Walnut Hill	370	21,026,573	410,206	486,089	2.0%	2.3%	65,208	65,208	0	\$5.37	\$5.12
Brookhollow	726	42,121,186	699,399	699,399	1.7%	1.7%	44,444	44,444	0	\$7.70	\$7.70
Pinnacle	137	19,808,776	1,363,658	1,522,778	6.9%	7.7%	253,665	253,665	0	\$3.58	\$3.61
Downtown	157	11,063,563	319,523	319,523	2.9%	2.9%	102,549	102,549	0	\$1.30	\$1.30
Redbird	147	19,159,598	1,360,947	1,364,447	7.1%	7.1%	1,053,891	1,053,891	0	\$3.89	\$3.89
GSW/Centreport	696	87,466,893	7,767,184	7,811,810	8.9%	8.9%	1,006,457	1,006,457	4,211,262	\$4.40	\$4.41
Far North I-35	124	17,253,381	595,003	600,545	3.4%	3.5%	83,707	83,707	322,981	\$7.52	\$7.49
I-20/Inland Port	50	28,634,375	6,771,877	6,771,877	23.6%	23.6%	465,891	465,891	3,618,230	\$3.51	\$3.51
DALLAS TOTAL	4,440	471,046,220	32,638,052	33,755,390	6.9%	7.2%	3,965,265	3,965,265	12,626,727	\$4.91	\$4.97
Alliance	92	34,470,350	4,715,680	4,715,680	13.7%	13.7%	1,295,448	1,295,448	1,920,701	\$3.75	\$3.75
N. Fort Worth	260	32,104,494	2,459,923	2,459,923	7.7%	7.7%	27,930	27,930	1,257,043	\$6.90	\$6.90
Center City	356	15,229,811	363,524	363,524	2.4%	2.4%	90,000	90,000	0	N/A	N/A
E. Fort Worth	336	16,581,183	653,828	658,228	3.9%	4.0%	-28,317	-28,317	0	\$4.09	\$4.07
S. Fort Worth	130	17,161,993	328,897	328,897	1.9%	1.9%	11,050	11,050	0	\$6.46	\$6.46
W. Fort Worth	24	958,363	0	0	0.0%	0.0%	0	0	0	N/A	N/A
FORT WORTH TOTAL	1,198	116,506,194	8,521,852	8,526,252	7.3%	7.3%	1,396,111	1,396,111	3,177,744	\$4.66	\$4.66
DFW TOTAL	5,638	587,552,414	41,159,904	42,281,642	7.0%	7.2%	5,361,376	5,361,376	15,804,471	\$4.86	\$4.90

CLASSIFICATION	TOTAL BLDGS	INVENTORY	DIRECT VACANT	OVERALL VACANT	DIRECT VACANCY RATE	OVERALL VACANCY RATE	Q1 NET ABSORPTION	2017 YTD NET ABSORPTION	UNDER CONSTRUCTION	OVERALL AVG. ASKING RENT	DIRECT AVG. ASKING RENT
Manufacturing	131	16,163,650	304,017	416,526	1.9%	2.6%	86,650	86,650	76,120	\$3.69	\$4.35
Office Service Center/ Flex	937	71,347,748	6,140,375	6,207,043	8.6%	8.7%	270,571	270,571	100,000	\$9.06	\$9.10
Warehouse/Distribution	4,570	500,041,016	34,715,512	35,658,073	6.9%	7.1%	5,004,155	5,004,155	15,628,351	\$3.99	\$4.00
Total	5,638	587,552,414	41,159,904	42,281,642	7.0%	7.2%	5,361,376	5,361,376	15,804,471	\$4.86	\$4.90

*Rental rates reflect gross asking \$PSF/year

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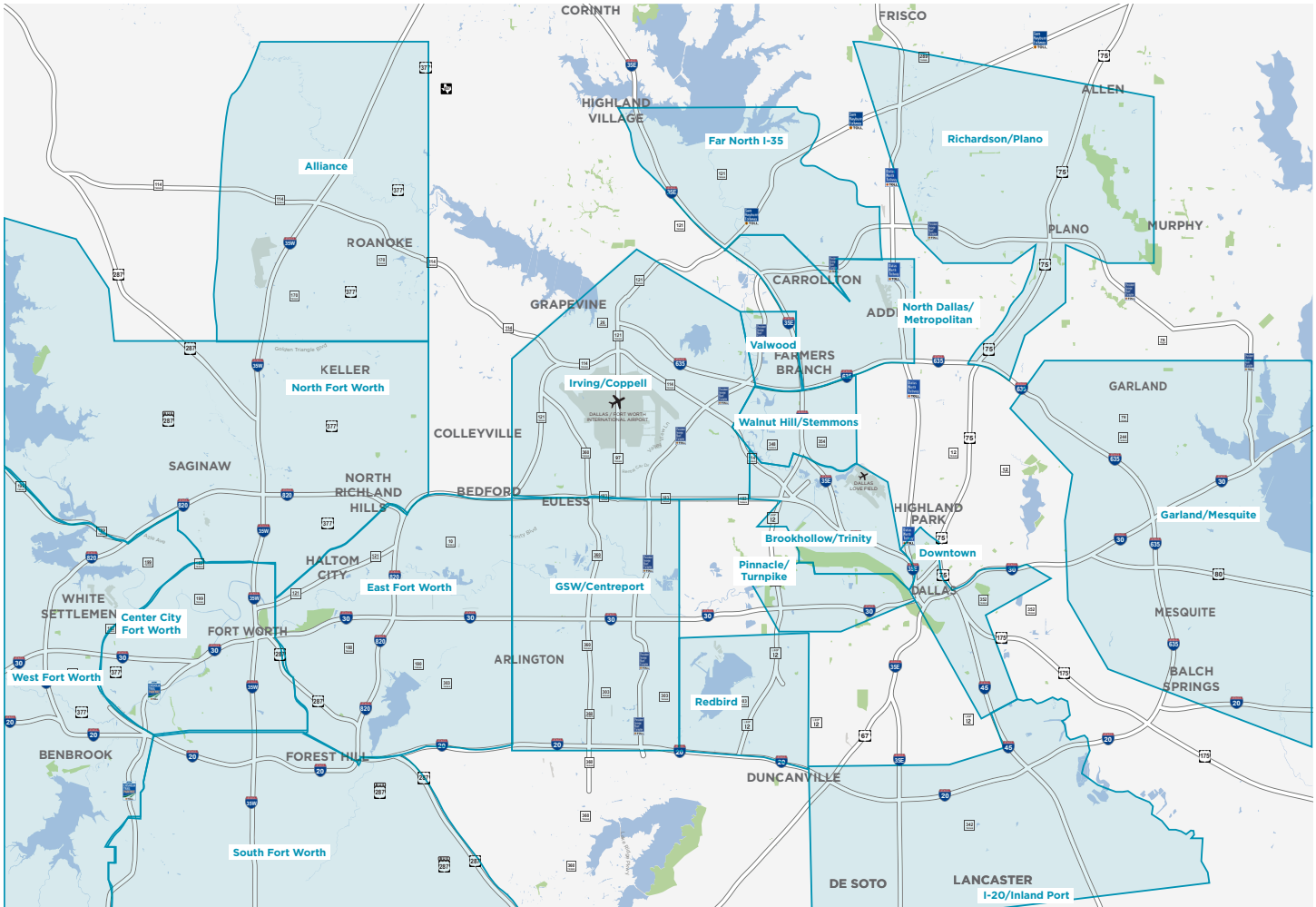
Dallas-Fort Worth

Industrial Q1 2017



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INDUSTRIAL SUBMARKETS DALLAS-FORT WORTH



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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 45,000 employees in more than 70 countries help occupiers and investors optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. 2017 marks the 100-year anniversary of the Cushman & Wakefield brand. 100 years of taking our clients' ideas and putting them into action. To learn more, visit www.cushwakecentennial.com, www.cushmanwakefield.com or follow @CushWake on Twitter.

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DALLAS INDUSTRIAL

Economic Indicators

	Q4 15	Q4 16	12-Month Forecast
DFW Employment	3.5M	3.6M	▲
DFW Unemployment	4.0%	4.0%	■
U.S. Unemployment	5.0%	4.8%	▼

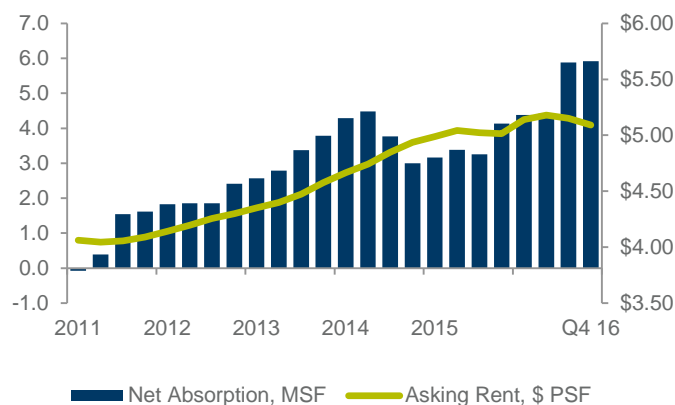
Market Indicators (Overall, All Property Types)

	Q4 15	Q4 16	12-Month Forecast
Vacancy	7.5%	6.9%	▼
Net Absorption (SF)	16.5 MSF	23.7 MSF	▲
Under Construction (SF)	23.7 MSF	17.1 MSF	▼
Average Asking Rent*	\$5.09	\$4.84	■

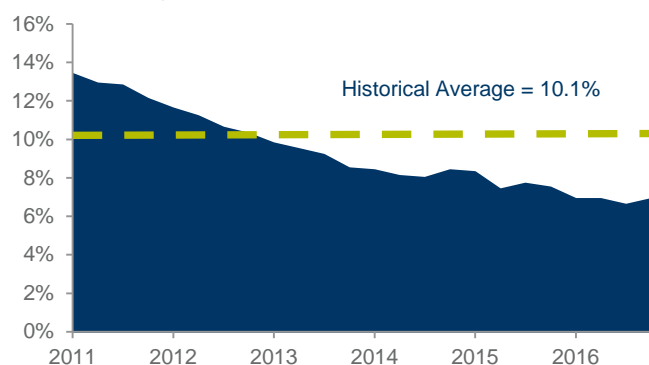
*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent

4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

Service sector activity in Texas improved in December, according to the Dallas Fed's Texas Service Sector Outlook Survey. Business executives reported strengthening revenue, business activity, and the index of future business activity (looking six months ahead) leaped to an all-time high. U.S. eCommerce retail sales hit an estimated \$94.71 billion in November/December, growing 17.2% over last year. Holiday shipping volumes surged past expectations this year, straining national carriers despite their major investments in logistics facilities.

Market Overview

New leasing activity for the Dallas/Fort Worth industrial market totaled 31.5 million square feet (MSF) at the end of 2016, 11.2% below the 2015 total. Leasing demand was the strongest in the Irving/Coppell submarket, with nearly 6.8 MSF at year-end making up 21.5% of the total leasing activity. The largest lease in the fourth quarter was a renewal signed by Kellogg Company for over 1.0 MSF.

The overall vacancy rate decreased 0.6 percentage points year-over-year to 6.9%. The rate is slightly higher than in the last quarter due to the large amount of construction deliveries.

Construction completions totaled nearly 22.4 MSF at the end of 2016, 45.9% more than the 15.3 MSF delivered at this time last year. In the pipeline is just under 17.1 MSF with speculative construction making up 86.8% or 14.8 MSF. The strong demand over the last several quarters has resulted in an increased level of speculative construction in several submarkets.

Overall net asking rents have decreased slightly year-over-year at \$4.84 per square foot (PSF). The slight decrease is due to the delivery of a large number of Big Box distribution centers – larger than 400,000 SF – with lower asking rental rates.

Investment sales activity at year-end totaled just over 22.2 MSF. This is a 37.4% decrease year-over-year compared to the 35.5 MSF sold by the end of 2015.

Outlook

The outlook for the Dallas/Fort Worth industrial market over the next several quarters is strong. Fundamental indicators such as leasing activity, absorption and asking rental rates will improve further. Developers are continuing to put their land inventories into production, preparing to bring more space onto the market. In the coming year, these developers will closely watch user demand. If construction activity stays in check, vacancy is expected to stay flat as demand keeps pace with supply.

MARKETBEAT

Dallas-Fort Worth

Industrial Q4 2016



CUSHMAN & WAKEFIELD

SUBMARKET	TOTAL BLDGS	INVENTORY (SF)	YTD LEASING ACTIVITY (SF)	YTD USER SALES ACTIVITY (SF)	OVERALL VACANCY RATE	YTD NET OVERALL NET ABSORPTION (SF)	UNDER CONSTR (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG. NET RENT (MF)	OVERALL WEIGHTED AVG. NET RENT (OS)	OVERALL WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	358	43,232,348	1,221,944	161,365	4.7%	573,492	45,120	36,000	\$2.50	\$9.14	\$5.57
Garland/Mesquite	502	50,203,663	2,309,114	536,798	7.6%	582,978	1,377,366	472,244	NA	\$5.88	\$3.46
North Dallas	418	31,077,767	1,507,973	1,038,643	2.8%	667,493	0	0	NA	\$8.28	\$4.51
Valwood	286	27,091,841	2,312,124	513,167	5.3%	1,291,783	543,734	542,355	\$7.95	\$8.38	\$4.68
Irving/Coppell	452	71,381,920	6,761,532	222,986	7.7%	3,652,308	3,303,268	2,000,369	NA	\$9.92	\$4.80
Walnut Hill	370	21,008,573	836,683	90,785	2.4%	135,191	0	0	NA	\$7.02	\$4.97
Brookhollow	726	42,103,293	778,409	614,963	1.3%	686,350	0	0	NA	\$5.85	\$3.93
Pinnacle	136	19,290,535	854,471	107,400	6.5%	157,991	518,241	556,613	NA	NA	\$3.64
Downtown	157	11,061,319	21,500	130,518	2.9%	2,600	0	0	NA	NA	\$1.30
Redbird	146	18,497,092	999,599	271,591	6.9%	2,414,061	663,000	1,967,927	NA	\$6.09	\$3.73
GSW/Centreport	692	85,426,566	4,341,491	317,873	7.2%	3,570,108	5,154,097	4,576,958	\$3.87	\$7.82	\$4.19
Far North I-35	120	16,749,207	839,623	72,592	4.1%	499,913	322,981	549,262	\$4.25	\$12.53	\$4.43
I-20/Inland Port	44	26,978,816	2,423,445	0	22.9%	2,348,557	3,570,500	5,900,351	NA	NA	\$3.53
DALLAS TOTAL	4,407	464,102,940	25,207,908	4,078,681	6.6%	16,582,825	15,498,307	16,602,079	\$3.69	\$8.78	\$4.13
Alliance	90	33,575,029	3,061,095	197,600	16.1%	2,247,515	999,448	2,334,090	NA	NA	\$3.68
N. Fort Worth	260	32,104,494	1,815,623	456,960	7.7%	3,376,623	600,000	3,037,652	NA	\$9.04	\$3.90
Center City	357	15,371,541	61,020	148,124	2.4%	233,116	0	0	NA	\$NA	NA
E. Fort Worth	336	16,581,183	359,200	186,900	3.8%	112,049	0	381,500	NA	\$4.72	\$4.10
S. Fort Worth	130	17,216,218	966,237	0	2.0%	1,113,139	0	0	\$9.11	\$11.50	\$3.76
W. Fort Worth	24	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	1,197	115,806,828	6,263,175	989,584	7.9%	7,082,442	1,599,448	5,753,242	\$9.11	\$9.00	\$3.76
DFW TOTAL	5,604	579,909,768	31,471,083	5,068,265	6.9%	23,665,267	17,097,755	22,355,321	\$3.84	\$8.82	\$4.04

*Rental rates reflect asking \$PSF/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

Key Lease Transactions Q4 2016

PROPERTY	SF	TENANT	TRANSACTION TYPE	SUBMARKET
2710 Edmonds Lane	1,020,030	Kellogg Company	Renewal	Irving/Coppell
300 Freedom Drive	756,000	American Tire Distributors	New Lease	Alliance
7243 Grady Niblo Road	663,000	Chewy Inc.	New Lease	Redbird

Key Sales Transactions Q4 2016

PROPERTY	SF	SELLER/BUYER	PRICE / \$PSF	SUBMARKET
Portfolio, 2 Buildings	1,328,227	Hillwood/GLP	\$84,565,552 / \$63.67	Various
1201 Chase Road	930,100	Transpacific Development Company/Cabot Properties	Undisclosed	Garland/Mesquite
Portfolio, 7 Buildings	568,272	Hines/Colony Capital	Undisclosed	Irving/Coppell

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MARKETBEAT

Dallas-Fort Worth

Industrial Q3 2016



DALLAS INDUSTRIAL

Economic Indicators

	Q3 15	Q3 16	12-Month Forecast
DFW Employment	3.4M	3.5M	▲
DFW Unemployment	4.0%	3.8%	▲
U.S. Unemployment	5.2%	4.9%	▼

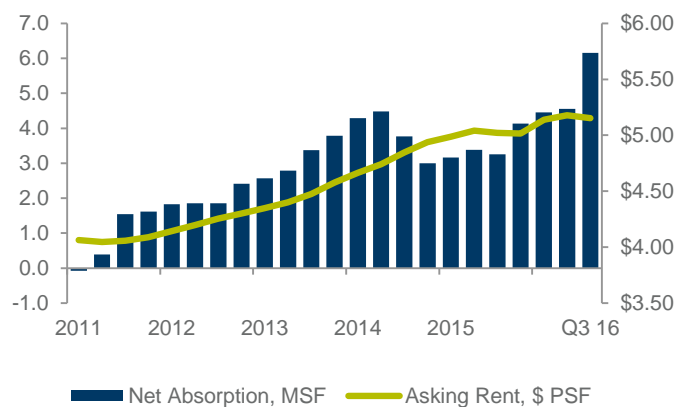
Market Indicators (Overall, All Property Types)

	Q3 15	Q3 16	12-Month Forecast
Vacancy	7.7%	6.6%	▲
Net Absorption (SF)	11.4 MSF	19.5 MSF	▼
Under Construction (SF)	20.9 MSF	21.7 MSF	▼
Average Asking Rent*	\$5.00	\$4.89	■

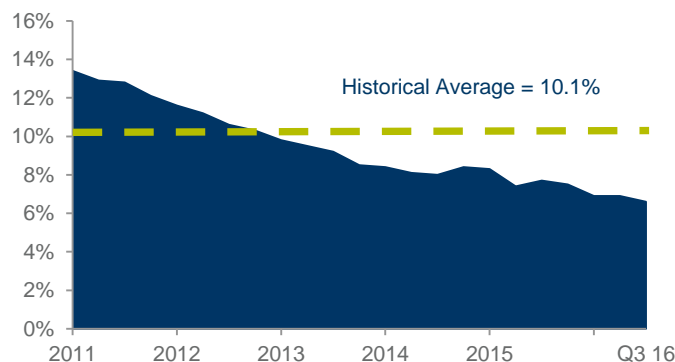
*Rental rates reflect net asking \$PSF/year

Overall Net Absorption/Overall Asking Rent

4-QTR TRAILING AVERAGE



Overall Vacancy



Economy

The Texas Workforce Commission reported in August that the Dallas-Fort Worth (DFW) labor market added 120,800 non-agricultural jobs over the last 12 months or 330 net jobs per day. This marked the 80th consecutive month of expansion. Employment grew in nearly all industries with the major exception of the manufacturing sector (-1,200). Growth in wholesale trade and the service sector industries helped boost the overall regional employment growth rate to 3.4% annually; higher than Texas' 1.6% and the U.S. rate of 1.7%.

Market Overview

Leasing activity totaled just over 23.9 million square feet (MSF) year-to-date 2016, a 4.2% drop over the 25.0 MSF leased during this period last year. Overall vacancy was recorded at 6.6% at the end of third quarter, a drop of 110 basis points year-over-year. Historically low vacancy levels mean that there is a lack of functional, modern space on the market, and developers have responded with increased speculative construction. The amount of industrial space currently under construction is just over 21.7 MSF, slightly more than the 20.9 MSF under construction this period last year. Construction completions year-to-date totaled 15.7 MSF with 65.0% being spec buildings. Overall absorption has been extremely strong throughout the year recording nearly 19.9 MSF through Q3 versus 11.4 MSF this time last year.

Outlook

The demand for space remains high in North Texas, and if current trends continue, 2016 will be another record year for absorption. Vacancy rates have dropped, but they will likely rebound as new construction completions occur in Q4 and early 2017. Rental rate growth has been strong during the last two years and appears to now have stabilized, in part due to the number of construction completions occurring in 2016.

The underlying industrial fundamentals of leasing demand, rent growth, and construction remain healthy and robust and will be for the foreseeable future. Much of what drives demand is linked to the U.S. consumer. With expected wage and labor market gains, the consumer will have the wherewithal to drive growth. U.S. imports, which are closely tied to warehousing demand, will likely continue expanding in 2016 on the back of solid domestic demand and subdued import prices.

MARKETBEAT

Dallas-Fort Worth

Industrial Q3 2016



SUBMARKET	TOTAL BLDGS	INVENTORY (SF)	YTD LEASING ACTIVITY (SF)	YTD USER SALES ACTIVITY (SF)	OVERALL VACANCY RATE	YTD NET OVERALL NET ABSORPTION (SF)	UNDER CONSTR (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG. NET RENT (MF)	OVERALL WEIGHTED AVG. NET RENT (OS)	OVERALL WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	357	43,196,348	875,949	122,419	5.2%	307,855	36,000	0	\$2.65	\$8.85	\$5.73
Garland/Mesquite	499	50,100,908	1,500,391	536,798	7.3%	737,678	603,350	472,244	NA	\$5.13	\$3.51
North Dallas	417	31,054,438	1,226,238	948,969	3.9%	404,514	0	0	NA	\$8.25	\$4.70
Valwood	283	26,546,269	1,529,167	513,167	6.0%	549,523	1,086,089	0	\$7.95	\$8.17	\$4.97
Irving/Coppell	451	71,117,863	5,917,145	222,986	8.7%	2,567,645	3,318,041	1,736,443	NA	\$9.82	\$4.56
Walnut Hill	370	21,008,473	679,620	50,785	1.9%	218,483	0	0	NA	\$6.80	\$4.80
Brookhollow	723	42,127,066	589,099	316,919	1.6%	298,423	0	0	NA	\$5.86	\$4.30
Pinnacle	135	18,998,335	763,346	107,400	3.6%	441,552	810,441	264,413	NA	NA	\$3.50
Downtown	157	11,026,652	21,500	130,518	2.7%	2,600	0	0	NA	NA	\$2.22
Redbird	146	18,497,092	65,145	271,591	6.6%	2,454,871	663,000	1,967,927	NA	\$6.09	\$3.76
GSW/Centreport	687	84,684,612	3,406,295	214,438	7.7%	2,735,646	5,831,087	3,899,968	\$3.93	\$7.79	\$4.09
Far North I-35	118	16,187,856	395,128	72,592	4.0%	8,953	537,268	17,175	\$4.25	\$12.49	\$6.15
I-20/Inland Port	41	24,475,927	1,843,073	0	15.7%	3,307,364	6,071,730	3,397,462	NA	NA	\$3.58
DALLAS TOTAL	4,384	459,021,839	18,852,096	3,508,582	6.4%	14,035,107	18,957,006	11,755,632	\$3.87	\$8.51	\$4.16
Alliance	88	32,185,974	2,121,434	197,600	14.1%	1,728,186	2,388,503	945,035	NA	NA	\$3.65
N. Fort Worth	258	31,605,448	1,604,987	132,000	8.6%	2,315,731	400,099	2,637,553	NA	\$9.04	\$3.39
Center City	355	15,221,657	45,020	0	2.4%	178,876	0	0	NA	\$NA	NA
E. Fort Worth	335	16,559,166	352,800	186,900	3.8%	107,526	0	381,500	NA	\$4.81	\$4.18
S. Fort Worth	129	16,939,213	966,237	0	2.0%	1,113,139	0	0	\$9.11	\$11.50	\$3.77
W. Fort Worth	24	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	1,189	113,469,821	5,090,478	516,500	7.6%	5,443,458	2,788,602	3,964,088	\$9.11	\$8.99	\$3.66
DFW TOTAL	5,573	572,491,660	23,942,574	4,025,082	6.6%	19,478,565	21,745,608	15,719,720	\$3.97	\$8.60	\$4.07

*Rental rates reflect asking \$PSF/year
Warehouse/Distribution

MF = Manufacturing OS = Office Service/Flex W/D =

Key Lease Transactions Q3 2016

PROPERTY	SF	TENANT	TRANSACTION TYPE	SUBMARKET
Southfield Park 35, Bldg 1	1,128,230	NFI Industries	Lease	I-20/Inland Port
Logistics Center I	1,052,380	Amazon	Lease	Irving/Coppell
Speedway Distribution Center, Bldg A	390,760	Camping World	Lease	Alliance
Grand Lakes Distribution Center	225,500	OHL	Lease	GSW/Centreport

Key Sales Transactions Q3 2016

PROPERTY	SF	SELLER/BUYER	PRICE / \$PSF	SUBMARKET
Sealy Portfolio	1,447,195	Prologis/Sealy & Company	Undisclosed	Various
12 TW Alexander	1,440,000	DHL Supply Chain/Transpacific Development Company	Undisclosed	North Fort Worth

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Industrial Snapshot 2Q 2016

Dallas-Fort Worth, TX



DALLAS INDUSTRIAL

Economic Indicators

	2Q 15	2Q 16	12-Month Forecast
DFW Employment	3.4M	3.5M	▲
DFW Unemployment	4.0%	3.7%	■
U.S. Unemployment	5.4%	4.9%	▼

*Seasonally adjusted

Market Indicators (Overall, All Product Types)

	2015	2Q 2016	12-Month Forecast
Overall Vacancy	7.4%	6.9%	■
Net Absorption – YTD	10.0 MSF	11.0 MSF	▲
Under Construction	13.1 MSF	23.9 MSF	■
Average Asking Rent*	\$5.00	\$5.16	▲

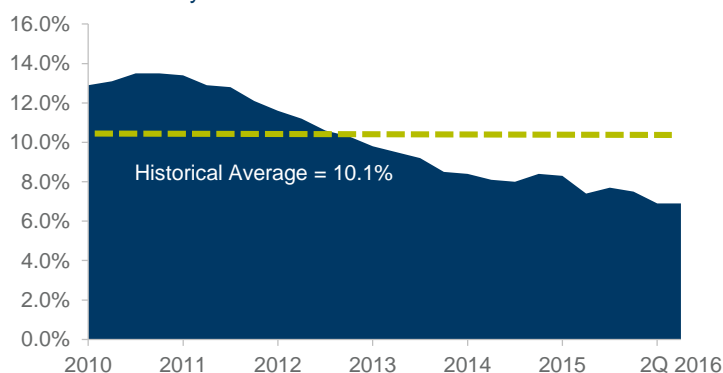
*Rental rates reflect net asking \$psf/year

Overall Net Absorption/Asking Rent

4Q TRAILING AVERAGE



Overall Vacancy



Economy

The Texas Workforce Commission reported in June that the Dallas-Fort Worth (DFW) labor market continued its expansion over the last 12 months by adding 125,300 non-agricultural jobs (343 net jobs per day). Employment grew in all industries except for the manufacturing sector (-1,300). Growth in wholesale trade and the service sector industries helped boost the overall regional employment growth rate to 3.7% annually; higher than Texas' 1.4% and the U.S. rate of 1.7%. The DFW metro's unemployment rate dropped to 3.7% in May compared to the state's 4.4%.

Market Overview

Leasing activity totaled just over 14.3 million square feet (MSF) year-to-date 2016, a 13.9% drop over the 16.6 MSF leased mid-year 2015. Overall vacancy recorded 6.9% in the second quarter, a drop of 50 basis points compared to the same period in 2015. Historically low vacancy levels mean there is a lack of functional, modern space on the market, and developers have responded with increased speculative construction. The amount of industrial space currently under construction is nearly 23.9 MSF, almost 10.8 MSF higher than this period last year. Construction completions year-to-date totaled 8.6 MSF with nearly 78% being spec buildings. Overall absorption for the year reached nearly 11 MSF, an increase of 9.6% over mid-year 2015 levels.

Outlook

High demand for space in 2011-2013 kicked off a building boom in North Texas. While market demand is expected to remain strong, the amount of new projects expected to deliver over the next two years will put upward pressure on vacancy rates as supply outpaces demand. Rental rate growth has been strong across the area, rising 7.9% year-over-year, however that is expected to slow as new inventory hits the market.

The underlying industrial fundamentals of leasing demand, rent growth, and construction are strong. Much of what drives demand for industrial space links to the U.S. consumer, and with expected wage and labor market gains, the consumer will have the wherewithal to drive growth. U.S. imports, which are closely tied to warehousing demand, will continue expanding in 2016 on the back of solid domestic demand and subdued import prices. The impacts of the BREXIT on leasing and investment activity are yet to be seen. The data suggests that there is low probability for any significant economic slowdown in the next 18 months, however cautious optimism remains.

MARKETBEAT

Industrial Snapshot 2Q 2016

Dallas-Fort Worth, TX



SUBMARKET	INVENTORY (SF)	YTD LEASING ACTIVITY (SF)	YTD USER SALES ACTIVITY (SF)	OVERALL VACANCY RATE	YTD NET OVERALL ABSORPTION (SF)	UNDER CONSTR (SF)	YTD CONSTR COMPLETIONS (SF)	DIRECT WEIGHTED AVG. NET RENT (MF)	DIRECT WEIGHTED AVG. NET RENT (OS)	DIRECT WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	43,196,348	555,119	122,419	4.9%	358,168	36,000	0	NA	\$8.86	\$5.56
Garland/Mesquite	50,098,080	855,563	453,518	7.8%	524,163	603,350	472,244	NA	\$6.01	\$3.68
North Dallas	30,702,101	493,751	268,620	5.3%	-15,798	0	0	NA	\$8.10	\$4.67
Valwood	26,602,269	850,281	174,000	6.9%	317,796	1,086,089	0	\$7.95	\$7.69	\$5.68
Irving/Coppell	70,976,094	3,388,766	222,986	9.3%	1,890,793	1,777,523	1,628,661	NA	\$9.66	\$4.71
Walnut Hill	21,109,199	504,836	50,785	2.9%	3,185	0	0	NA	\$7.13	\$4.78
Brookhollow	42,127,066	421,934	316,919	2.4%	134,043	0	0	NA	\$5.69	\$4.01
Pinnacle	18,998,335	479,604	107,400	2.4%	302,862	810,441	264,413	NA	NA	\$3.67
Downtown	11,026,652	21,500	87,318	2.9%	8,000	0	0	NA	NA	\$2.22
Redbird	17,379,416	55,543	0	5.3%	1,511,720	1,767,804	863,123	NA	\$4.94	\$3.44
GSW/Centreport	81,878,322	1,950,338	214,438	5.8%	1,574,480	7,044,239	972,734	\$3.93	\$7.89	\$4.05
Far North I-35	16,170,681	225,305	0	4.5%	-92,095	537,268	0	\$4.25	\$12.56	\$5.64
I-20/Inland Port	23,675,927	684,846	0	21.6%	1,231,722	5,230,689	2,597,462	NA	NA	\$3.55
DALLAS TOTAL	453,940,490	10,487,386	2,018,403	6.6%	7,749,039	18,893,403	6,798,637	\$4.27	\$8.50	\$4.33
Alliance	32,185,974	1,350,489	197,600	14.1%	1,728,098	2,338,503	945,035	NA	NA	\$3.66
N. Fort Worth	29,604,948	1,337,574	132,000	7.8%	547,162	2,270,599	767,053	NA	\$10.86	\$4.05
Center City	15,234,671	1,976	0	2.2%	-13,503	0	0	NA	\$NA	NA
E. Fort Worth	16,257,666	237,092	0	2.5%	42,399	301,500	80,000	NA	\$6.18	\$3.94
S. Fort Worth	16,939,213	924,180	0	6.8%	930,667	0	0	NA	\$11.50	\$3.61
W. Fort Worth	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	111,180,835	3,851,311	329,600	7.9%	3,234,823	4,960,602	1,792,088	NA	\$10.79	\$3.78
DFW TOTAL	565,121,325	14,338,697	2,348,003	6.9%	10,983,862	23,854,005	8,590,725	\$4.27	\$8.90	\$4.24

*Rental rates reflect asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

Key Lease Transactions 2Q 2016

PROPERTY	SF	TENANT	PROPERTY TYPE	SUBMARKET
35-Eagle	1,041,880	Amazon	Warehouse/Distribution	Alliance
Watters Ridge III	656,580	Rheem Manufacturing*	Warehouse/Distribution	Far North I-35
Prologis Park 20/35	393,900	Mars Petcare*	Warehouse/Distribution	I-20/Inland Port
Meacham Crossing	318,490	Amazon	Warehouse/Distribution	North Fort Worth

*Renewal – not included in Leasing Activity Statistics

Key Sales Transactions 2Q 2016

PROPERTY	SF	SELLER/BUYER	PROPERTY TYPE	PRICE/\$PSF	SUBMARKET
6601 Oak Grove	615,000	Crow Holdings/Sealy & Co.	Warehouse/Distribution	\$32,417,000/\$53	South Fort Worth
7301 Trinity Boulevard	468,650	Vintage Interests/TCRG Properties	Warehouse/Distribution	Undisclosed	East Fort Worth

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Industrial Snapshot Q1 2016

Dallas-Fort Worth, TX



DALLAS INDUSTRIAL

Economic Indicators

	Q1 15	Q1 16	12-Month Forecast
DFW Employment	3.3M	3.4M	▲
DFW Unemployment	4.1%	3.8%	▲
U.S. Unemployment	5.6%	4.9%	▼

* Seasonally adjusted

Market Indicators (Overall, All Product Types)

	2015	2016	12-Month Forecast
Vacancy	8.3%	6.9%	■
Net Absorption (sf)	5.4M	6.8M	▲
Under Construction (sf)	12.0M	22.8M	■
Average Asking Rent*	\$4.97	\$5.47	▲

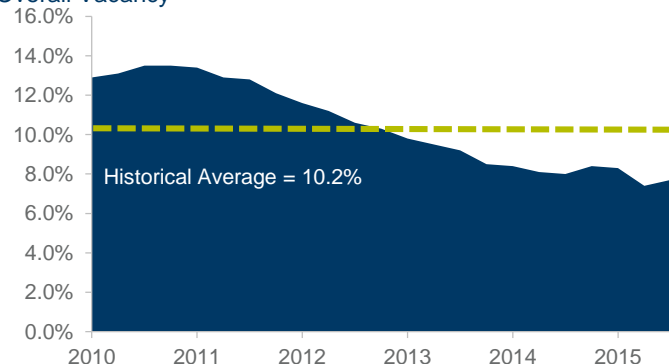
*Rental rates reflect net asking \$psf/year

Overall Net Absorption/Asking Rent

4Q TRAILING AVERAGE



Overall Vacancy



Economy

The Texas Workforce Commission reported in March that the Dallas-Fort Worth (DFW) labor market expanded over the last 12 months by adding 129,900 non-agricultural jobs (356 net jobs per day). Employment in all industries grew except for the manufacturing sector (-2,100). Growth in wholesale trade and the service sector industries helped boost the overall regional employment growth rate to 3.9% annually; higher than Texas' 1.5% and the U.S. rate of 2.0%. The DFW metro's unemployment rate dropped to 3.8% in March compared to the state's 4.5%.

Market Overview

Leasing activity remained healthy in Q1 2016 with nearly 5.4 million square feet (msf) of space leased, a drop of 23% compared to Q1 2015 but on par with the 10-year Q1 average. Overall vacancy was recorded at 6.9%, a significant drop compared to 8.3% during the same period in 2015. Historically low vacancy levels mean there is a lack of functional, modern space on the market, and developers are responding with more speculative construction. The amount of industrial space currently under construction totals 22.8 msf, almost double the amount compared to last year at the same time. New supply delivered in Q1 totaled 4.5 msf with nearly 71% being spec buildings and 32% of the spec space pre-leased. The unusually heavy rains last year delayed progress on several construction projects and postponed delivery of many buildings, however the majority are expected to be completed by mid-2016.

Outlook

The demand drivers for industrial remain firmly intact. The underlying industrial fundamentals of leasing demand, rent growth, and construction are strong. Much of what drives demand for industrial space links to the U.S. consumer, and with expected wage and labor market gains, the consumer will have the wherewithal to drive growth. U.S. imports, which are closely tied to warehousing demand, will continue expanding in 2016 on the back of solid domestic demand and subdued import prices. Exports will rebound modestly. Net absorption is expected to continue to outpace new development for one more year, and vacancy rates are projected to increase slightly over the next 12-18 months as new space is delivered. Asking rates will likely hold or rise moderately in the short term as the total amount of new projects under construction begins to taper off.

MARKETBEAT

Industrial Snapshot Q1 2016

Dallas-Fort Worth, TX



SUBMARKET	INVENTORY (SF)	YTD LEASING ACTIVITY (SF)	YTD USER SALES ACTIVITY (SF)	OVERALL VACANCY RATE	YTD NET OVERALL ABSORPTION (SF)	UNDER CONSTR (SF)	YTD CONSTR COMPLETIONS (SF)	DIRECT WEIGHTED AVG. NET RENT (MF)	DIRECT WEIGHTED AVG. NET RENT (OS)	DIRECT WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	43,186,886	259,610	82,745	5.3%	177,122	36,000	0	NA	\$9.19	\$5.83
Garland/Mesquite	50,098,080	430,470	0	7.9%	541,079	134,027	472,244	NA	\$5.71	\$3.66
North Dallas	30,770,182	186,722	121,620	6.1%	(32,044)	0	0	NA	\$8.47	\$4.45
Valwood	26,602,269	253,410	0	6.9%	217,701	882,089	0	\$4.08	\$7.91	\$5.91
Irving/Coppell	70,223,599	1,392,024	0	10.2%	1,073,199	1,386,070	1,050,101	NA	\$10.18	\$4.72
Walnut Hill	21,109,199	227,761	28,000	3.3%	68,786	0	0	NA	\$6.23	\$4.19
Brookhollow	42,278,989	159,079	40,125	2.8%	25,157	0	0	NA	\$6.13	\$4.50
Pinnacle	18,998,335	58,942	107,400	2.4%	302,862	0	264,413	NA	NA	\$3.67
Downtown	11,021,252	8,000	0	2.8%	8,000	0	0	NA	NA	\$2.33
Redbird	17,379,416	8,343	0	6.4%	1,303,332	1,767,858	863,123	NA	\$4.94	\$4.03
GSW/Centreport	81,768,091	1,158,043	183,188	5.8%	1,542,556	6,271,111	375,279	\$4.25	\$7.75	\$4.07
Far North I-35	16,135,894	44,626	0	4.7%	(145,077)	344,687	0	\$3.85	\$12.56	\$6.08
I-20/Inland Port	21,328,105	261,431	0	16.4%	261,431	6,715,351	249,640	NA	NA	\$3.39
DALLAS TOTAL	450,900,297	4,421,307	563,078	6.6%	5,344,094	17,537,193	3,274,800	\$4.06	\$8.69	\$4.35
Alliance	31,904,885	0	0	13.1%	1,752,867	2,672,701	658,782	NA	NA	\$3.77
N. Fort Worth	29,305,948	349,285	132,000	9.1%	(213,912)	2,569,599	468,053	NA	\$10.84	\$4.05
Center City	15,234,671	1,976	0	2.1%	1,976	0	0	NA	\$NA	NA
E. Fort Worth	16,256,988	15,995	0	2.0%	71,928	0	80,000	NA	\$6.52	\$3.89
S. Fort Worth	16,920,332	620,033	0	6.9%	(160,539)	0	0	NA	\$10.14	\$3.24
W. Fort Worth	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	110,581,187	987,289	132,000	7.8%	1,452,320	5,242,300	1,206,835	NA	\$10.63	\$3.70
DFW TOTAL	561,481,484	5,408,596	695,078	6.9%	6,796,414	22,779,493	4,481,635	\$4.06	\$8.99	\$4.21

*Rental rates reflect asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

Key Lease Transactions Q1 2016

PROPERTY	SF	TENANT	PROPERTY TYPE	SUBMARKET
Majestic Airport Center	799,460	Bed Bath & Beyond	Warehouse/Distribution	Irving/Coppell
1101 Everman Parkway	417,600	Mother Parkers Tea & Coffee	Warehouse/Distribution	South Fort Worth
Park 161 Distribution Center	347,015	Ozburn-Hessey Logistics	Warehouse/Distribution	GSW/Centreport
Dalport Trade Center	261,430	Almo Distributing	Warehouse/Distribution	I-20/Inland Port

Key Sales Transactions Q1 2016

PROPERTY	SF	SELLER/BUYER	PROPERTY TYPE	PRICE/\$PSF	SUBMARKET
1303 W. Pioneer Parkway	850,000	Robinson Weeks/CBRE Global Investors	Warehouse/Distribution	Undisclosed	GSW/Centreport
1900 Lakeside Parkway/3324 Trinity Boulevard	547,179	Amstar-Huntington/Cabot Properties	Warehouse/Distribution	\$43,000,000/\$79	Irving/Coppell

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Industrial Snapshot Q4 2015

Dallas-Fort Worth, TX



DALLAS INDUSTRIAL

Economic Indicators

	Q4 14	Q4 15	12-Month Forecast
DFW Employment	3.3M	3.4M	▲
DFW Unemployment	4.5%	4.1%	▲
U.S. Unemployment	5.7%	5.0%	▼

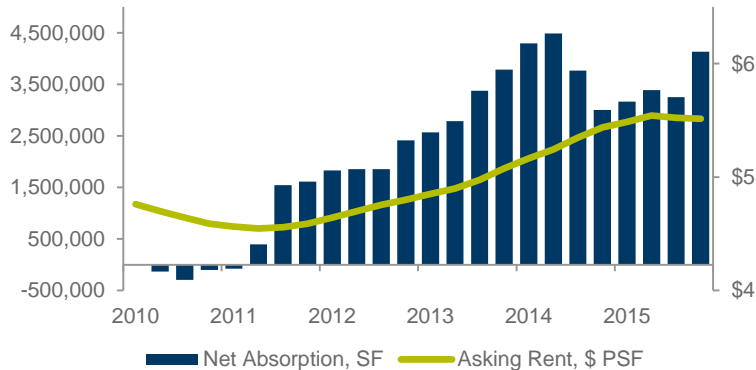
Market Indicators (Overall, All Product Types)

	2014	2015	12-Month Forecast
Vacancy	8.4%	7.5%	▼
Net Absorption (sf)	12.0M	16.5M	▲
Under Construction (sf)	16.2M	23.7M	■
Average Asking Rent*	\$5.12	\$5.09	▲

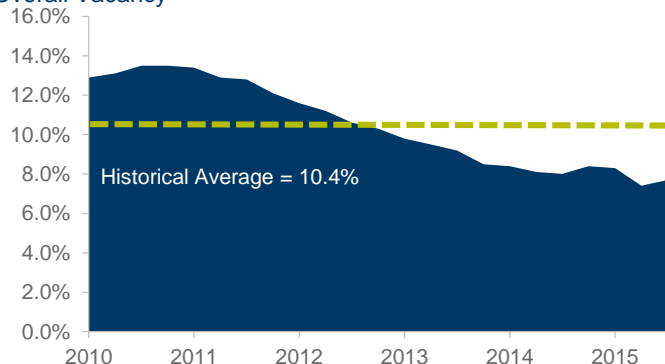
*Rental rates reflect net asking \$psf/year

Overall Net Absorption/Asking Rent

4Q TRAILING AVERAGE



Overall Vacancy



Economy

A balanced and diversified economy has kept economic growth positive in Texas despite depressed crude oil prices. The share of employment in energy-related sectors is relatively small in the Dallas-Fort Worth (DFW) economy compared to other parts of the state. The Texas Workforce Commission reported in November that the DFW labor market expanded over the last 12 months by adding 101,200 non-agricultural jobs (277 net jobs per day). All industries except for the mining, logging & construction (-2,800) and the manufacturing (-5,400) sectors expanded. Growth in the region's service sector industries helped boost the overall regional employment rate to 3.0% annually; higher than Texas' 1.5% and the U.S. rate of 1.9%. The DFW metro's unemployment rate was 4.1% in August compared to the state's 4.6% and the national rate of 5.0%.

Market Overview

Leasing activity has picked up in 2015 with nearly 35.5 million square feet (msf) of space leased, an increase of 34.4% compared to 2014. Overall vacancy recorded 7.5% in Q4, a slight drop from Q3's 7.7%, but below last year's 8.4%. Developers responded to the surge in demand for space in 2013-2014 with a multitude of build-to-suit and speculative projects. New supply delivered in 2015 totaled 15.3 msf with nearly 73% being spec buildings and 45% of the spec space pre-leased. The amount of industrial space under construction currently totals a record 23.7 msf. The unusually heavy rains this spring delayed work on several construction projects and postponed completion of many buildings into the new year.

Outlook

The beginning of 2016 may well be a defining characteristic of the year going forward. However looking past the bumpy start to the year (which we have seen several times before in the cycle), the underlying industrial fundamentals of leasing demand, rent growth, and construction remain strong. Economic data suggests continued momentum in 2016 while the anticipated increase in consumer spending bodes well for future demand. Net absorption is expected to continue to outpace new development for one more year. Vacancy rates are projected to increase slightly over the next 12-18 months as new space is delivered, however asking rates will likely hold steady in the short term as the total amount of new projects under construction begins to taper off.

MARKETBEAT

Industrial Snapshot Q4 2015

Dallas-Fort Worth, TX



SUBMARKET	INVENTORY (SF)	YTD LEASING ACTIVITY (SF)	YTD USER SALES ACTIVITY (SF)	OVERALL VACANCY RATE	YTD NET OVERALL ABSORPTION (SF)	UNDER CONSTR (SF)	YTD CONSTR COMPLETIONS (SF)	DIRECT WEIGHTED AVG. NET RENT (MF)	DIRECT WEIGHTED AVG. NET RENT (OS)	DIRECT WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	43,277,528	1,685,913	87,895	5.8%	469,657	0	0	NA	\$9.04	\$5.86
Garland/Mesquite	49,832,917	3,501,375	325,486	8.5%	(83,120)	472,244	169,105	NA	\$5.59	\$3.71
North Dallas	30,810,322	1,075,085	140,120	6.5%	609,700	0	0	NA	\$8.42	\$4.43
Valwood	26,512,148	2,526,727	432,339	7.3%	1,026,163	971,089	1,163,558	\$4.08	\$7.95	\$4.36
Irving/Coppell	69,161,640	6,039,832	553,096	10.7%	2,729,827	2,436,171	3,242,364	NA	\$10.22	\$4.80
Walnut Hill	21,109,199	661,760	170,450	3.6%	182,893	0	0	NA	\$6.13	\$4.16
Brookhollow	42,444,753	1,415,019	664,543	2.7%	541,377	0	0	NA	\$6.25	\$4.50
Pinnacle	18,733,922	2,128,922	0	4.2%	1,524,273	259,672	598,445	NA	NA	\$3.19
Downtown	11,020,487	75,000	0	2.8%	0	0	0	NA	NA	\$2.33
Redbird	16,466,531	303,288	127,380	9.4%	738,074	2,572,431	1,320,348	NA	\$4.94	\$3.66
GSW/Centreport	80,989,727	5,667,690	542,530	7.3%	2,212,838	5,359,161	1,936,047	\$4.25	\$7.79	\$3.86
Far North I-35	16,011,377	748,027	521,298	3.5%	927,144	344,687	438,560	NA	\$12.29	\$6.24
I-20/Inland Port	21,078,465	4,185,503	0	19.3%	5,289,540	6,186,821	5,038,476	NA	NA	\$3.31
DALLAS TOTAL	447,449,016	30,014,141	3,565,137	7.4%	16,168,366	18,602,276	13,906,903	\$4.21	\$8.51	\$4.13
Alliance	31,292,283	3,336,467	0	16.9%	118,006	2,384,483	867,096	NA	NA	\$3.66
N. Fort Worth	28,330,810	1,237,428	281,670	6.1%	813,583	2,607,152	549,567	NA	\$9.59	\$4.29
Center City	15,113,800	51,503	90,000	1.4%	(8,279)	0	0	NA	\$20.00	\$4.59
E. Fort Worth	16,121,790	247,739	10,000	2.1%	22,151	80,000	0	NA	\$6.00	\$3.87
S. Fort Worth	16,951,696	570,595	53,504	5.9%	(593,015)	0	0	NA	\$10.14	\$3.29
W. Fort Worth	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	108,768,742	5,443,732	435,174	7.9%	352,446	5,071,635	1,416,663	NA	\$9.40	\$3.74
DFW TOTAL	556,217,758	35,457,873	4,000,311	7.5%	16,520,812	23,673,911	15,323,566	\$4.21	\$8.54	\$4.04

*Rental rates reflect asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

Key Lease Transactions Q4 2015

PROPERTY	SF	TENANT	PROPERTY TYPE	SUBMARKET
1700 Lakeside Parkway	462,780	WORLD PAC	Warehouse/Distribution	Irving/Coppell
5151 Samuell Boulevard	442,035	Ashley Furniture	Warehouse/Distribution	Garland/Mesquite
15001 Heritage Parkway	391,390	Exel	Warehouse/Distribution	Alliance
Southfield Park 35	367,260	Southwest Molding	Warehouse/Distribution	I-20/Inland Port

Key Sales Transactions Q4 2015

PROPERTY	SF	SELLER/BUYER	PROPERTY TYPE	PRICE/\$PSF	SUBMARKET
Southfield Park 35 Building 1	1,128,230	USAA Real Estate Company/Hillwood	Warehouse/Distribution	\$47,400,000	I-20/Inland Port
777 Freeport Parkway	792,394	Industrial Income Trust/Global Logistics Properties	Warehouse/Distribution	\$61,806,732	Irving/Coppell

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Industrial Snapshot Q3 2015

Dallas-Fort Worth, TX



DALLAS INDUSTRIAL

Economic Indicators

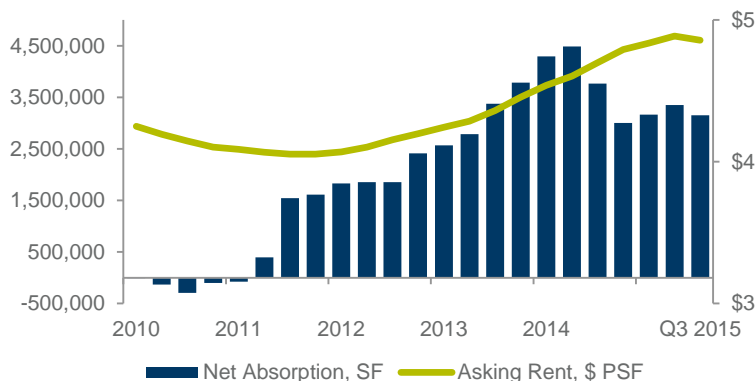
	Q3 14	Q3 15	12-Month Forecast
DFW Employment	3,289k	3,393k	▲
DFW Unemployment	4.8%	3.9%	▲
U.S. Unemployment	6.1%	5.1%	▼

Market Indicators

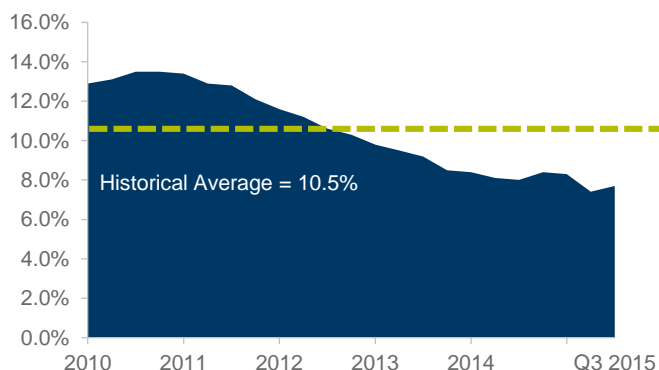
	Q3 14	Q3 15	12-Month Forecast
Overall Vacancy	8.0%	7.7%	▼
Net Absorption	10.2M	10.9M	▲
Under Construction	14.9M	20.9M	▼
Overall Average Asking Rent	\$4.93	\$4.81	▲

Net Absorption/Asking Rent

4Q TRAILING AVERAGE



Overall Vacancy



Economy

Overall growth in Texas remains positive despite the drop in crude oil prices which have had a minor dampening effect on the Texas economy, namely in the mining and manufacturing sectors. The share of employment in energy-related sectors is much smaller within the Dallas-Fort Worth (DFW) economy where direct job losses have been minimal. The Texas Workforce Commission reported in August that the DFW labor market grew 3.1% over the last 12 months by adding 103,500 non-agricultural jobs (284 net jobs per day). Growth in the region's service-sector industries have helped boost the overall regional employment rate 3.1% annually; higher than Texas' 1.9% and the U.S. rate of 2.1%. The metro's unemployment rate fell to 3.9% in August compared to the state's 4.4% and national 5.2% rates.

Market Overview

Leasing activity has picked up year-to-date with nearly 25 million square feet (msf) of space leased, an increase of 15% compared to Q3 2014. Overall vacancy recorded 7.7% in Q3, a slight uptick from Q2's 7.4%, but below last year's 8.0%. Developers responded to the surge in demand for space in 2013-2014 with a multitude of build-to-suit and speculative projects, and many of those projects have been completed this year. New supply delivered in 2015 totals 10.9 msf with approximately two-thirds being spec buildings and 45% of the spec space pre-leased. The amount of industrial space under construction currently totals a record 20.9 msf with 76% spec, of which almost half is already preleased. Approximately 6.8 msf is scheduled to deliver by year-end. The unusually heavy rains this spring delayed work on several construction projects and could push completion on many buildings into Q1 2016.

Outlook

The DFW industrial market continues to draw investment from institutional owners, national developers and corporate users. Demand for space is expected to keep outpacing other intermodal hubs in the U.S. Vacancy rates are projected to increase slightly over the next 12-24 months as new space is delivered, however asking rates will likely hold steady in the short term before trending upward as new projects under construction begin to taper off. The growth in inventory and the consistent leasing activity are supporting the increasing demand for goods and services as well as meeting the demand for regional distribution.

MARKETBEAT

Industrial Snapshot Q3 2015

Dallas-Fort Worth, TX



SUBMARKET	TOTAL BLDGS	INVENTORY	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	OVERALL VACANCY RATE	YTD NET OVERALL ABSORPTION	UNDER CONSTR	YTD CONSTR COMPLETIONS	DIRECT WEIGHTED AVG. NET RENT (MF)	DIRECT WEIGHTED AVG. NET RENT (OS)	DIRECT WEIGHTED AVG. NET RENT (W/D)
Richardson/Plano	357	43,277,528	1,029,432	87,895	6.0%	372,177	0	0	NA	\$9.00	\$5.99
Garland/Mesquite	499	49,809,420	2,140,310	136,181	11.3%	(1,529,215)	472,244	169,105	NA	\$5.60	\$3.51
North Dallas	411	30,810,322	787,917	85,315	7.6%	468,870	0	0	NA	\$8.15	\$3.89
Valwood	282	26,252,148	1,851,975	432,339	7.6%	709,500	1,234,241	903,558	\$4.08	\$7.67	\$4.53
Irving/Coppell	435	68,376,055	3,993,814	324,082	11.1%	1,898,288	2,561,797	2,680,936	NA	\$11.05	\$4.75
Walnut Hill	370	21,109,199	528,430	120,450	3.9%	89,551	0	0	NA	\$6.03	\$4.02
Brookhollow	725	42,444,753	1,087,323	449,596	2.9%	437,744	0	0	NA	\$6.37	\$4.42
Pinnacle	134	18,733,922	2,083,912	0	5.2%	1,345,263	259,672	598,445	NA	NA	\$3.24
Downtown	156	11,020,487	75,000	0	3.0%	0	0	0	NA	NA	\$2.58
Redbird	138	15,146,183	188,547	20,220	2.9%	534,884	3,888,565	0	NA	\$4.47	\$3.58
GSW/Centreport	672	80,614,577	4,296,267	522,130	7.6%	1,654,887	4,059,391	1,560,897	\$4.03	\$7.31	\$3.77
Far North I-35	112	15,654,553	567,539	86,400	4.9%	328,867	596,507	81,736	NA	\$11.93	\$3.92
I-20/Inland Port	30	20,091,035	2,694,252	0	16.7%	5,010,125	4,165,568	4,051,046	NA	NA	\$3.28
DALLAS TOTAL	4,321	443,340,182	21,324,718	2,264,608	7.7%	11,320,941	17,237,985	10,045,723	\$4.04	\$8.49	\$3.99
Alliance	85	31,292,283	2,576,863	0	16.9%	118,006	2,298,230	867,096	NA	NA	\$3.66
N. Fort Worth	247	27,779,501	563,484	281,670	5.7%	346,463	1,316,620	0	\$3.46	\$9.59	\$4.37
Center City	356	15,113,800	48,617	90,000	1.6%	(11,165)	0	0	NA	\$19.50	\$4.59
E. Fort Worth	333	16,121,790	225,884	0	2.1%	20,486	80,000	0	NA	\$5.56	\$3.87
S. Fort Worth	128	16,687,047	251,945	53,504	5.8%	(841,665)	0	0	NA	\$10.14	\$3.32
W. Fort Worth	24	958,363	0	0	NA	0	0	0	NA	NA	NA
FORT WORTH TOTAL	1,173	107,952,784	3,666,793	425,174	7.8%	(367,875)	3,694,850	867,096	\$3.46	\$9.30	\$3.72
DFW TOTAL	5,494	551,292,966	24,991,511	2,689,782	7.7%	10,953,066	20,932,835	10,912,819	\$3.85	\$8.52	\$3.93

*Rental rates reflect asking \$psf/year

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution

Key Lease Transactions Q3 2015

PROPERTY	SF	TENANT	PROPERTY TYPE	SUBMARKET
Alliance Center North 2	1,002,620	Walmart	Warehouse/Distribution	Alliance
2555 South Valley Parkway	529,155	Kuehne + Nagel	Warehouse/Distribution	Irving/Coppell

Key Sales Transactions Q3 2015

PROPERTY	SF	SELLER/BUYER	PROPERTY TYPE	PRICE	SUBMARKET
Prologis Park 20/35 Portfolio	3,406,595	Prologis/Principal Real Estate Investors	Warehouse/Distribution	Undisclosed	I-20/Inland Port
Quaker Court I & II	205,395	Quaker Equities/Caddo Holdings	Warehouse/Distribution	Undisclosed	Brookhollow

About Cushman & Wakefield

Cushman & Wakefield is a global leader in commercial real estate services, helping clients transform the way people work, shop, and live. The firm's 43,000 employees in more than 60 countries provide deep local and global insights that create significant value for occupiers and investors around the world. Cushman & Wakefield is among the largest commercial real estate services firms in the world with revenues of \$5 billion across core services of agency leasing, asset services, capital markets, facilities services (branded C&W Services), global occupier services, investment management (branded DTZ Investors), tenant representation and valuations & advisory. To learn more, visit www.cushmanwakefield.com or follow @Cushwake on Twitter.

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MARKETBEAT INDUSTRIAL SNAPSHOT

DALLAS-FORT WORTH, TX

A Cushman & Wakefield Research Publication



Q2 2015



ECONOMIC OVERVIEW

The Texas economy continues to grow despite low oil prices and a strengthened dollar. The Texas Workforce Commission reported in June that the Dallas-Fort Worth (DFW) labor market grew 3.6% by adding 117,800 non-agricultural jobs over the last 12 months (323 net jobs per day). The DFW unemployment rate fell to 4.0% over that time suggesting a tightening labor market. Regional job creation in 2015 remains strong in service-providing sectors such as leisure & hospitality as well as financial services. However, employment in the construction and mining sector shrunk notably, declining 8.9% partly as a result of unusually rainy weather.

OCCUPIER FOCUS

Leasing activity was strong in the first half of the year with nearly 14 million square feet (msf) of space leased, a drop of 18.3% compared to mid-year 2014, but well above the 10-year average of 11.5 msf. Submarkets with the largest declines in activity included GSW/Centreport (Farley & Sathers and Williams-Sonoma leased a combined 1.9 msf in 2014) and I-20/Inland Port (Whirlpool and Procter & Gamble leased a combined 1.2 msf in 2014). Major leases signed in the second quarter included R.R. Donnelley & Sons, Amazon, Subaru, Alpha Furniture, Forward Air, Exel, Elemental Recycling, and Mission Foods.

Overall absorption mid-year totaled 11.1 msf, a 30.6% increase over 2014's mid-year total. Overall vacancy rates remained steady at 7.4% over the same period as new construction was completed.

Construction completions in Q2 were nearly equal that of the same period last year with 3.1 msf delivered, 51% of which were speculative buildings. There is currently 13.1 msf under construction, nearly all of it warehouse/distribution buildings.

OWNER FOCUS

Industrial property sales were stronger in Q2 compared to the previous year due to a slight increase in user sales from 0.5 msf to 0.7 msf. Investor sales recorded 9.1 msf at the end of the quarter. Two notable transactions were the sale of Pioneer 360 Business Center #300 to LaSalle Investment for \$34 million (\$41.68 psf) and 5401 North Riverside to Prologis for \$43 million (\$65.30 psf).

Average cap rates over the prior 12-month period were 7.4%, slightly higher than the U.S. average of 7.0%. These rates are reflective of the increased amount of functional second and third-generation buildings being traded.

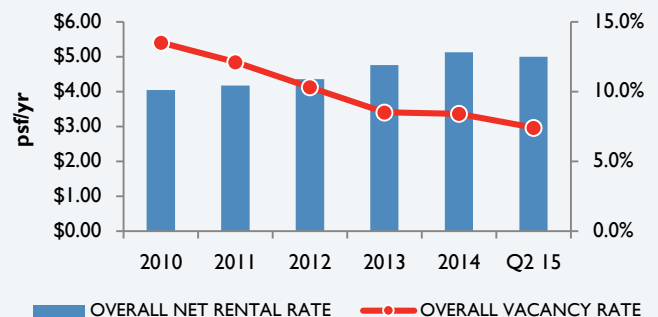
OUTLOOK

Demand for industrial space in DFW continues to outpace other intermodal hubs in the U.S. Vacancy rates are expected to increase over the next 12-24 months as new space is delivered. However asking rates will likely hold steady in the short term and start to trend upward as new projects under construction begin to taper off. Overall market fundamentals are strong in North Texas, and the area remains one of the top industrial markets in the nation.

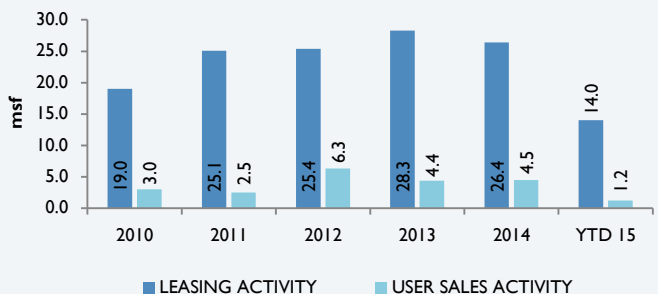
STATS ON THE GO

	Q2 2014	Q2 2015	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	8.1%	7.4%	0.7pp	▲
Direct Asking Rents (psf/yr)	\$4.61	\$4.81	4.3 %	▲
YTD Leasing Activity (sf)	17,138,280	13,999,922	-18.3%	▲

OVERALL RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



DALLAS-FORT WORTH, TX											
SUBMARKET	INVENTORY	OVERALL VACANCY RATE	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	DIRECT WEIGHTED AVERAGE NET RENTAL RATE		
									MF	OS	W/D
Richardson/Plano	43,374,838	7.2%	453,863	20,265	0	0	91,247	86,357	N/A	\$8.67	\$5.72
Garland/Mesquite	49,640,340	9.2%	940,870	105,045	641,349	0	(1,157,252)	(1,171,818)	N/A	\$5.32	\$3.57
North Dallas	30,804,712	7.2%	647,848	0	0	0	411,567	415,584	N/A	\$8.13	\$4.13
Valwood	25,691,112	7.6%	1,357,743	267,339	1,797,521	340,278	131,744	239,014	\$7.85	\$7.48	\$4.49
Irving/Coppell	67,814,866	11.0%	1,799,546	101,550	2,638,523	1,990,000	1,632,505	1,593,438	N/A	\$10.84	\$4.27
Walnut Hill	21,109,199	3.6%	333,847	0	0	0	140,481	140,481	N/A	\$6.41	\$4.13
Brookhollow	42,479,696	3.1%	682,048	146,423	0	0	435,539	435,539	N/A	\$6.29	\$4.55
Pinnacle	18,733,922	2.6%	1,425,918	0	259,672	598,445	1,407,260	1,737,260	N/A	N/A	\$3.35
Downtown	11,020,487	3.0%	75,000	0	0	0	0	0	N/A	N/A	\$2.58
Redbird	15,146,183	5.2%	154,240	20,220	1,320,348	0	568,102	568,102	N/A	\$6.65	\$3.47
GSW/Centreport	80,413,764	7.2%	2,128,544	273,486	1,545,515	1,560,897	2,205,280	2,265,442	\$4.03	\$7.47	\$3.79
Far North I-35	15,654,553	5.9%	468,886	0	596,507	81,736	298,673	298,673	N/A	\$11.77	\$3.66
I-20/Inland Port	19,877,732	18.7%	2,076,890	0	1,737,430	3,551,046	4,283,611	4,283,611	N/A	N/A	\$3.27
DALLAS	441,761,404	7.6%	12,545,241	934,328	10,536,865	8,122,402	10,448,757	10,891,683	\$3.46	\$8.30	\$3.92
Alliance	30,758,387	13.0%	680,687	0	1,174,323	333,200	826,448	856,448	N/A	N/A	\$3.47
N. Fort Worth	27,779,501	6.0%	389,023	123,912	1,316,620	0	177,796	177,796	\$3.46	\$9.50	\$4.32
Center City	15,096,325	1.6%	48,617	90,000	0	0	(11,165)	(11,165)	N/A	\$19.50	\$4.59
E. Fort Worth	16,111,954	2.9%	158,909	0	80,000	0	(56,606)	(56,606)	N/A	\$5.56	\$3.96
S. Fort Worth	16,612,547	5.5%	177,445	53,504	0	0	(767,165)	(767,165)	N/A	\$10.14	\$3.17
W. Fort Worth	958,363	N/A	0	0	0	0	0	0	N/A	N/A	N/A
FORT WORTH	107,317,077	6.8%	1,454,681	267,416	2,570,943	333,200	169,308	199,308	\$3.46	\$9.30	\$3.63
DFW TOTAL	549,078,481	7.4%	13,999,922	1,201,744	13,107,808	8,455,602	10,618,065	11,090,991	\$3.88	\$8.34	\$3.86

* RENTAL RATES REFLECT ASKING \$PSF/YEAR HT = HIGH TECH MF = MANUFACTURING OS = OFFICE SERVICE W/D = WAREHOUSE/DISTRIBUTION

MARKET HIGHLIGHTS				
SIGNIFICANT Q2 2015 LEASE TRANSACTIONS	SUBMARKET	TENANT	PROPERTY TYPE	SQUARE FEET
Penn Distribution Center	I-20/Inland Port	R.R. Donnelley & Sons	Warehouse/Distribution	515,380
JJ Lemmon Distribution Center	I-20/Inland Port	Amazon	Warehouse/Distribution	500,000
ProLogis Park 121	Irving/Coppell	Subaru	Warehouse/Distribution	300,360
SIGNIFICANT Q2 2015 SALE TRANSACTIONS	SUBMARKET	BUYER	PURCHASE PRICE / \$PSF	SQUARE FEET
Pioneer 360 Business Center, #300	GSW/Centreport	LaSalle Investment	\$34,003,600/\$41.68	815,820
5401 North Riverside Drive	North Fort Worth	Prologis US Logistics Venture	\$43,014,730/\$65.30	658,690
Meacham Crossing	North Fort Worth	Prologis US Logistics Venture	\$39,102,140/\$70.00	558,602
SIGNIFICANT Q2 2015 CONSTRUCTION COMPLETIONS	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
Commerce 45 (two buildings)	I-20/Inland Port	Georgia Pacific	Q2 2015	1,500,000/ 100%
Commerce 20 #1	I-20/Inland Port	Genco	Q2 2015	651,380/ 50%
SIGNIFICANT PROJECTS UNDER CONSTRUCTION	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
Logistics Crossing II	GSW/Centreport	Speculative	Q4 2015	768,590 / 0%
Northport 35 - Bldg A	Alliance	Speculative	Q4 2015	658,780 / 0%

MARKETBEAT INDUSTRIAL SNAPSHOT



DALLAS-FORT WORTH, TX

A Cushman & Wakefield Research Publication

Q1 2015



ECONOMIC OVERVIEW

The Texas economy continues to grow, but some metropolitan areas are beginning to experience a deceleration, especially those where energy-related jobs make up a large percentage of employment. The Texas

Workforce Commission reported in March that the Dallas-Fort Worth (DFW) labor market grew 3.6% by adding 115,800 non-agricultural jobs over the last 12 months (317 net jobs per day). First quarter job growth was mixed with the largest gains in the leisure & hospitality, trade, transportation & utilities, and information sectors. The DFW labor market is slowly tightening with unemployment at 4.0%, the lowest level since April 2008 and well below the U.S. rate of 5.5%.

OCCUPIER FOCUS

Overall absorption totaled 6.0 million square feet (msf). This figure is slightly higher the Q1 2014 total of approximately 4.7 msf. Overall vacancy rates remained steady at 8.3% over the same period as new construction was completed.

Leasing activity was sluggish to start the year with only 4.3 msf of space signed, a drop of nearly 54% compared to Q1 2014. Leasing activity in warehouse and distribution buildings accounted for 88.4% of the total with the largest being Bridgestone Americas 608,300 sf expansion at Alliance Gateway #61.

Construction completions in Q1 were nearly double that of the same period last year with 5.7 msf delivered, 70% of which were warehouse/distribution buildings. Currently, 12.0 msf are under construction with the majority being speculative projects (78%).

Notable leases that were signed in this quarter were MI Windows and Doors (450,000 sf), Greatwide Logistics (337,500 sf), Stitch Fix (318,200 sf), Serta Dormae (297,300 sf) and Kuehne & Nagel (267,900 sf).

OWNER FOCUS

Industrial property sales were slightly higher in Q1 compared to the previous year due to increased investor sales. Investor sales stood at 3.3 msf and user sales at 0.3 msf. Two notable transactions were the sale of Pinnacle Park Distribution Center I to Global Logistic Properties for \$44 million (\$69.23 psf) and 1800 Hurd to Alliance Glazing for \$4.3 million (\$42.83 psf).

Average cap rates over the prior 12-month period were 7.4%, slightly higher than the U.S. average of 7.1%. These rates are reflective of the

increased amount of functional second and third-generation buildings being traded.

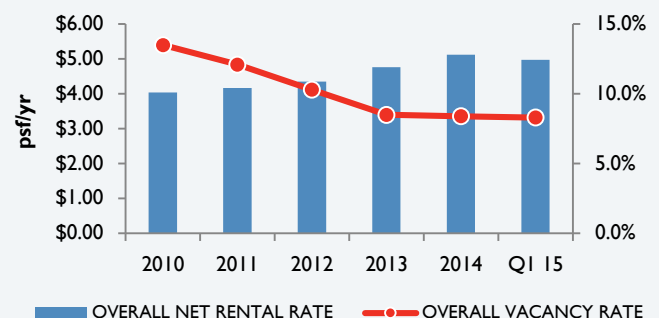
OUTLOOK

Demand for industrial space in DFW continues to outpace other intermodal hubs in the U.S. Vacancy rates are expected to increase over the next 12-18 months as new space is delivered. However asking rates will likely hold steady in the short term and start to trend upward as new projects under construction begin to taper off. Overall market fundamentals are strong in North Texas, and the area remains one of the top industrial markets in the nation.

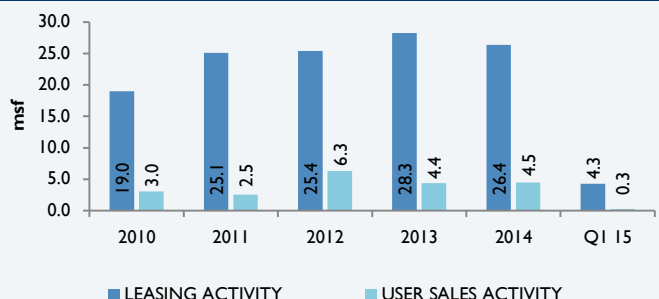
STATS ON THE GO

	Q1 2014	Q1 2015	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	8.4%	8.3%	-0.1pp	▲
Direct Asking Rents (psf/yr)	\$4.64	\$4.82	3.9 %	▲
YTD Leasing Activity (sf)	9,249,496	4,253,692	-54.0%	▲

OVERALL RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



DALLAS-FORT WORTH, TX												
SUBMARKET	INVENTORY	OVERALL VACANCY RATE	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	HT	MF	OS	W/D
Richardson/Plano	43,470,278	7.7%	166,391	20,265	0	0	5,239	5,239	N/A	N/A	\$8.59	\$5.70
Garland/Mesquite	49,475,371	6.6%	243,895	0	472,244	0	79,561	75,961	N/A	N/A	\$4.92	\$3.54
North Dallas	30,982,418	8.2%	229,666	0	0	0	131,015	143,510	N/A	N/A	\$7.56	\$3.86
Valwood	25,711,545	9.6%	329,179	0	912,280	340,278	57,480	29,766	N/A	\$4.24	\$7.58	\$3.96
Irving/Coppell	67,814,657	11.7%	629,993	101,550	1,516,365	1,990,000	906,248	891,248	N/A	N/A	\$10.51	\$4.79
Walnut Hill	21,109,199	4.5%	103,875	0	0	0	18,393	18,393	N/A	N/A	\$6.41	\$4.12
Brookhollow	42,511,344	4.4%	156,237	87,575	0	0	60,375	60,375	N/A	N/A	\$6.43	\$3.86
Pinnacle	18,733,792	8.0%	574,644	0	259,672	598,315	657,616	657,616	N/A	N/A	N/A	\$3.32
Downtown	11,023,919	4.3%	0	0	0	0	0	0	N/A	N/A	N/A	\$2.41
Redbird	15,145,569	8.6%	0	20,220	1,990,348	0	454,648	454,648	N/A	N/A	\$8.30	\$3.15
GSW/Centreport	79,578,961	7.8%	736,543	29,428	1,643,850	1,063,537	1,469,341	1,469,341	N/A	\$4.03	\$7.77	\$3.63
Far North I-35	15,752,817	7.0%	57,210	0	481,707	0	52,067	52,067	N/A	N/A	\$10.18	\$3.61
I-20/Inland Port	17,726,686	25.4%	209,664	0	3,341,545	1,400,000	1,400,000	1,400,000	N/A	N/A	N/A	\$3.31
DALLAS	438,679,275	8.5%	3,437,297	259,038	10,618,011	5,392,130	5,291,983	5,258,164	N/A	\$4.07	\$8.12	\$3.81
Alliance	30,758,387	13.7%	505,439	0	945,035	333,200	651,200	651,200	N/A	N/A	N/A	\$3.56
N. Fort Worth	28,067,841	6.7%	195,258	0	331,000	0	76,200	76,200	N/A	\$3.46	\$9.50	\$4.11
Center City	15,151,461	2.2%	48,617	0	0	0	(11,165)	(11,165)	N/A	N/A	\$19.50	\$3.97
E. Fort Worth	16,002,221	3.6%	67,081	0	80,000	0	24,177	24,177	N/A	N/A	\$5.41	\$3.53
S. Fort Worth	16,409,504	6.2%	0	0	0	0	(1,456)	(1,456)	N/A	N/A	\$10.14	\$3.73
W. Fort Worth	958,363	N/A	0	0	0	0	0	0	N/A	N/A	N/A	N/A
FORT WORTH	107,347,777	7.5%	816,395	0	1,356,035	333,200	738,956	738,956	N/A	\$3.46	\$9.34	\$3.76
DFW TOTAL	546,027,052	8.3%	4,253,692	259,038	11,974,046	5,725,330	6,030,939	5,997,120	N/A	\$3.86	\$8.16	\$3.80

* RENTAL RATES REFLECT ASKING \$PSF/YEAR HT= HIGH TECH MF = MANUFACTURING OS = OFFICE SERVICE W/D = WAREHOUSE/DISTRIBUTION

MARKET HIGHLIGHTS				
SIGNIFICANT Q1 2015 LEASE TRANSACTIONS	SUBMARKET	TENANT	PROPERTY TYPE	SQUARE FEET
Alliance Gateway #53 and #61	Alliance	Bridgestone Americas	Warehouse/Distribution	1,058,320
1900 Lakeside Parkway	Irving/Coppell	MI Windows and Doors	Warehouse/Distribution	401,600
Prologis Great Southwest #49	GSW/Centreport	Greatwide Logistics	Warehouse/Distribution	337,500
SIGNIFICANT Q1 2015 SALE TRANSACTIONS	SUBMARKET	BUYER	PURCHASE PRICE / \$PSF	SQUARE FEET
Pinnacle Park Distribution Center I	Pinnacle/Turnpike	Global Logistics Properties	\$44,060,000/\$69.23	636,480
2838 Virgo Lane	Walnut Hill/Stemmons	Global Logistics Properties	\$9,872,109/\$60.01	164,500
SIGNIFICANT Q1 2015 CONSTRUCTION COMPLETIONS	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
Dalport Trade Center #5	I-20/Inland Port	Procter & Gamble	Q1 2015	1,400,000/ 100%
1900 Lakeside Parkway	Irving/Coppell	MI Windows and Doors	Q1 2015	401,600/ 100%
SIGNIFICANT PROJECTS UNDER CONSTRUCTION	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
1000 East Cleveland Street	I-20/Inland Port	Georgia Pacific	Q3 2015	1,608,590 / 100%
Logistics Crossing II	GSW/Centreport	Speculative	Q4 2015	800,000 / 0%

MARKETBEAT INDUSTRIAL SNAPSHOT



DALLAS-FORT WORTH, TX

A Cushman & Wakefield Research Publication

Q4 2014



ECONOMIC OVERVIEW

North Texas' expanding tenant base and growing economy led to strong demand for industrial space throughout the year. The Texas Workforce Commission reported in December that the Dallas-Fort Worth (DFW) labor market grew 4.4% by adding 136,900 nonagricultural jobs over the last 12 months (375 jobs per day). The two sectors leading the growth were the Professional and Business Services and the Trade, Transportation and Utilities sectors adding 48,800 and 28,800 jobs, respectively. The unemployment rate in the DFW market fell to 4.0%, the lowest level since April 2008, and well below the U.S. (5.4%).

OCCUPIER FOCUS

Direct and overall absorption totaled 12.2 million square feet (msf) and 12.0 msf, respectively. These figures were slightly behind 2013 totals of 15.5 msf and 15.1 msf. Direct and overall vacancy rates rose slightly to 8.0% and 8.4%, as new construction was completed.

At 26.4 msf, industrial leasing activity for 2014 was 6.7% below the 2013 year-end total of 28.3 msf. Leasing activity in warehouse and distribution buildings accounted for 84.9% of the total with the largest being Proctor & Gamble's 1.4 msf lease at Dalport Trade Center.

The current demand for space has developers scrambling to deliver new inventory. Construction completions in 2014 totaled 14.4 msf, 95.3% of which were warehouse/distribution buildings. Currently, 16.2 msf are under construction with the majority being speculative projects (72.4%).

Among the significant leases that were signed in this quarter were Navistar (360,000 sf), GENCO ATC (325,000 sf), KGP Logistics (260,700 sf), International Paper (250,000 sf) and Exel (211,000 sf).

OWNER FOCUS

Industrial property sales were slightly higher in 2014 compared to the previous year. Investor sales stood at 14.5 msf and user sales at 4.5 msf, a 15.2% and 2.5% increase, respectively. Two notable transactions were the sale of the former Dallas Cowboys distribution center at 2500 Regent to Invesco for \$23.4 million (\$58.50 psf) and 3000 North Redbud to Saskaway Ten LP for \$20 million (\$22.52 psf).

According to Real Capital Analytics, average cap rates over the 12-month period were at 7.6%, slightly higher than the U.S. average of 7.2%. These rates are reflective of the increased amount of functional second- and third-generation buildings being traded.

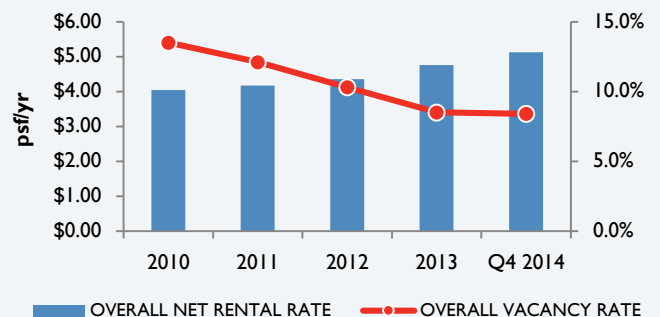
OUTLOOK

Demand for industrial space in DFW is expected to increase slightly over the next 12-18 months. Despite the recent sharp decline in the price of oil, overall estimated growth rates remain positive, albeit more moderate than originally projected. Speculative construction will continue through 2015 with less build-to-suit projects announced due to the availability of newer inventory in the market.

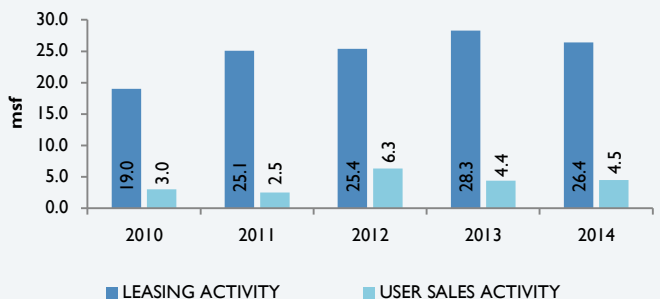
STATS ON THE GO

	Q4 2013	Q4 2014	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	8.5%	8.4%	-0.1pp	▲
Direct Asking Rents (psf/yr)	\$4.62	\$4.99	8.0 %	▲
YTD Leasing Activity (sf)	28,275,842	26,379,976	-6.7%	▲

OVERALL RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



DALLAS-FORT WORTH, TX												
SUBMARKET	INVENTORY	OVERALL VACANCY RATE	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	HT	MF	OS	W/D
Richardson/Plano	43,805,810	8.0%	2,077,320	432,842	0	260,000	1,642,982	1,664,959	N/A	N/A	\$8.53	\$6.08
Garland/Mesquite	49,679,195	7.6%	2,399,390	1,510,427	0	0	1,275,080	1,432,692	N/A	N/A	\$12.14	\$3.53
North Dallas	30,982,418	9.1%	1,406,060	333,444	0	0	417,574	457,884	N/A	N/A	\$7.14	\$3.85
Valwood	25,396,768	8.9%	1,163,699	0	1,314,519	295,817	1,140,914	1,006,145	N/A	\$4.24	\$7.59	\$4.09
Irving/Coppell	65,597,199	10.5%	2,649,963	159,950	2,302,734	3,729,657	1,015,096	1,229,201	N/A	N/A	\$9.58	\$4.36
Walnut Hill	21,188,927	4.6%	827,842	232,296	0	0	370,416	396,150	N/A	N/A	\$6.49	\$3.87
Brookhollow	42,745,453	4.8%	901,418	206,892	0	168,000	488,938	488,938	N/A	N/A	\$6.36	\$4.09
Pinnacle	18,271,672	9.3%	1,823,101	0	598,315	0	5,054	(202,546)	N/A	N/A	N/A	\$3.29
Downtown	11,023,919	4.3%	28,188	0	0	0	(71,826)	(71,826)	N/A	N/A	N/A	\$2.41
Redbird	15,326,923	7.7%	442,395	183,909	1,320,348	352,572	240,399	229,374	N/A	N/A	\$8.25	\$2.88
GSW/Centreport	78,503,602	8.6%	5,418,724	1,081,514	1,262,204	2,704,579	2,326,189	2,407,653	N/A	\$4.03	\$7.86	\$4.24
Far North I-35	15,709,837	7.0%	438,434	102,448	0	0	229,779	204,080	N/A	N/A	\$11.15	\$3.66
I-20/Inland Port	16,324,779	27.6%	3,468,599	0	6,643,799	3,179,379	1,015,694	814,109	N/A	N/A	N/A	\$3.31
DALLAS	434,556,502	8.7%	23,045,133	4,243,722	13,441,919	10,690,004	10,096,289	10,056,813	N/A	\$4.07	\$8.97	\$3.75
Alliance	28,577,659	16.4%	1,228,202	0	2,378,235	3,632,894	436,252	355,217	N/A	N/A	N/A	\$3.59
N Fort Worth	29,172,062	4.3%	416,412	0	331,000	0	55,380	35,834	N/A	\$3.46	\$9.66	\$4.17
Center City	15,151,461	2.3%	56,954	96,400	0	0	91,819	99,019	N/A	N/A	\$18.00	\$3.54
East Fort Worth	16,002,221	5.2%	313,659	104,966	80,000	0	189,663	153,183	N/A	N/A	\$4.73	\$3.18
S Fort Worth	16,409,504	1.8%	1,319,616	46,082	0	67,081	1,337,987	1,313,337	N/A	N/A	\$7.73	\$3.73
W Fort Worth	947,373	N/A	0	0	0	0	0	0	N/A	N/A	N/A	\$4.50
FORT WORTH	106,260,280	7.0%	3,334,843	247,448	2,789,235	3,699,975	2,111,101	1,956,590	N/A	\$3.46	\$8.10	\$3.66
TOTAL	540,816,782	8.4%	26,379,976	4,491,170	16,231,154	14,389,979	12,207,390	12,013,403	N/A	\$3.86	\$8.94	\$3.74

* RENTAL RATES REFLECT ASKING \$PSF/YEAR HT= HIGH TECH MF = MANUFACTURING OS = OFFICE SERVICE W/D = WAREHOUSE/DISTRIBUTION

MARKET HIGHLIGHTS				
SIGNIFICANT 2014 LEASE TRANSACTIONS	SUBMARKET	TENANT	PROPERTY TYPE	SQUARE FEET
Arlington Commerce Center	GSW/Centreport	Williams-Sonoma	Warehouse/Distribution	820,097
Carter Distribution Center	South Fort Worth	Whirlpool	Warehouse/Distribution	725,700
SIGNIFICANT 2014 SALE TRANSACTIONS	SUBMARKET	BUYER	PURCHASE PRICE / \$PSF	SQUARE FEET
1700 Lakeside Parkway (Lakeside Commerce Center)	Irving/Coppell	Industrial Property Trust	\$27,865,209/\$60.21	462,780
2500 Regent Boulevard	Irving/Coppell	Invesco	\$23,400,000/\$58.50	400,000
4030 Forest Lane	Garland/Mesquite	Dollar-Flowers Realty Partners	\$8,300,000/\$12.18	681,350
SIGNIFICANT 2014 CONSTRUCTION COMPLETIONS	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
2701 West Bethel Road	Irving/Coppell	Speculative	Q3 2014	1,052,380/ 0%
15101 North Beach Street	Alliance	Speculative	Q3 2014	1,002,620/ 0%
SIGNIFICANT PROJECTS UNDER CONSTRUCTION	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
East Cleveland Street	I-20/Inland Port	Georgia Pacific	Q3 2015	1,608,590 / 100%
Southfield Park 35 - Building 2	I-20/Inland Port	Speculative	Q1 2015	733,200 / 0%

MARKETBEAT INDUSTRIAL SNAPSHOT

DALLAS/FORT WORTH, TX

A Cushman & Wakefield Research Publication



Q3 2014



ECONOMIC OVERVIEW

The Dallas-Fort Worth (DFW) job growth and economic momentum continues. According to the Bureau of Labor Statistics, as of August 2014, DFW gained 101,500 payroll jobs over the past 12 months with the Dallas-Plano-Irving

Metro Division accounting for nearly 74% of that total.

Unemployment rates for Dallas (5.5%) and Fort Worth (5.4%) mirrored Texas (5.5%) but remained stronger than the U.S. total of 6.3%. Commercial real estate fundamentals across DFW are the best since 2006.

OCCUPIER FOCUS

Direct and overall absorption (includes absorption of sublease space) totaled 8.6 million square feet (msf) and 8.8 msf respectively, slightly behind 2013 year-to-date totals of 9.6 msf and 9.5 msf respectively.

At 19.5 msf year-to-date, industrial leasing activity (new leases signed) was 4.8% below the third quarter 2013 year-to-date total of 20.5 msf. Leasing activity in warehouse/distribution buildings accounted for 85.4% of the total.

Among the significant leases that were signed in this quarter were Dr Pepper Snapple Group (377,000 sf), Cummins Southern Plains (353,000 sf), AS American (234,000 sf), ATC Logistics (225,000 sf) and Insight Merchandising (127,000 sf)

Due to the amount of speculative projects under construction vacancy rates are expected to rise in the short term as buildings get completed. So far this year, construction deliveries totaled 6.1 msf. Currently, 14.9 msf are under construction – mostly warehouse/distribution buildings. If the buildings are not leased by the end of the year vacancy rates are expected to increase in submarkets with speculative construction.

OWNER FOCUS

Industrial property sales were significantly lower year-to-date than in 2013. User sales stood at 1.8 msf and investor sales at 7.4 msf, a 54% and 33% decrease respectively. However, this is not a sign of disinterest in the marketplace, but rather shows the lack of available product for sale.

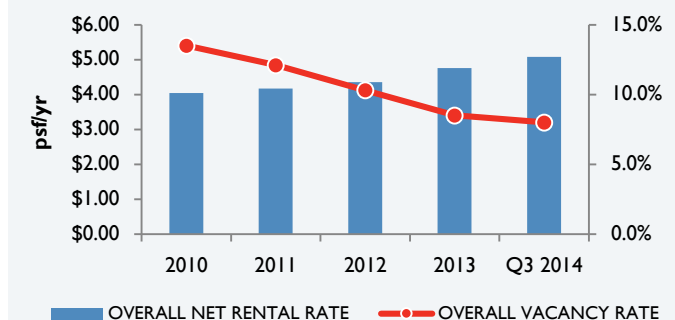
OUTLOOK

Continued hiring is expected from transportation and construction related manufacturing firms, supporting further demand for industrial space. Until more new buildings are delivered to the market, landlords are expected to dominate lease transactions, asking for higher rental rates. As new buildings get completed and leased, investors will show increased interest in these market additions.

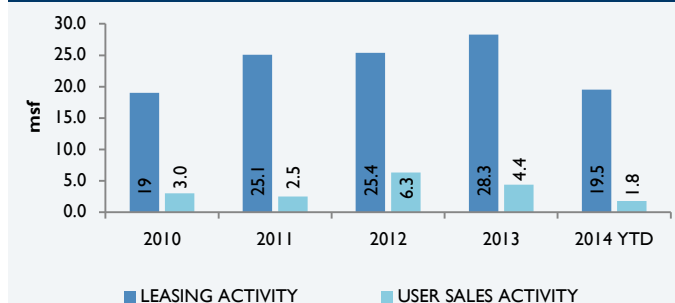
STATS ON THE GO

	Q3 2013	Q3 2014	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	9.2%	8.0%	-1.2pp	▲
Direct Asking Rents (psf/yr)	\$4.55	\$4.93	8.4%	▲
YTD Leasing Activity (sf)	20,452,358	19,461,143	-4.8%	▲

OVERALL RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



DALLAS/FORT WORTH, TX

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	HT	MF	OS	W/D
Richardson/Plano	43,570,702	9.5%	1,256,243	286,502	260,000	0	1,031,621	990,789	N/A	N/A	\$8.26	\$5.98
Garland/Mesquite	49,900,665	8.4%	1,578,472	89,000	0	0	1,049,226	1,253,289	N/A	N/A	\$4.65	\$7.49
North Dallas	30,997,347	8.8%	1,013,426	333,444	0	0	373,647	438,952	N/A	N/A	\$8.17	\$3.72
Valwood	25,932,767	10.7%	937,059	0	724,817	0	332,068	197,299	N/A	\$4.24	\$7.20	\$4.07
Irving/Coppell	62,910,510	7.4%	1,940,810	78,750	4,087,858	1,024,299	545,542	752,297	N/A	N/A	\$9.27	\$4.44
Walnut Hill	21,256,475	4.9%	577,716	232,296	0	0	309,169	334,903	N/A	N/A	\$6.50	\$3.72
Brookhollow	42,539,658	4.9%	794,141	74,600	168,000	0	330,261	330,261	N/A	N/A	\$6.27	\$4.11
Pinnacle	18,271,672	8.9%	1,247,598	0	598,138	0	(138,116)	(120,814)	N/A	N/A	N/A	\$3.21
Downtown	11,023,919	4.6%	28,188	0	0	0	28,188	28,188	N/A	N/A	N/A	\$2.05
Redbird	15,326,923	6.6%	442,395	26,000	630,450	352,572	407,804	396,779	N/A	N/A	\$8.25	\$2.74
GSW/Centreport	78,581,585	9.5%	3,800,939	618,025	917,804	2,704,579	1,778,565	1,920,003	N/A	\$4.03	\$7.10	\$3.51
Far North I-35	15,611,684	7.3%	315,346	0	0	0	170,708	170,708	N/A	N/A	\$10.85	\$3.65
I-20/Inland Port	15,187,666	22.2%	3,025,585	0	4,026,320	2,048,371	1,011,006	810,006	N/A	N/A	N/A	\$3.21
DALLAS	431,111,573	8.5%	16,957,918	1,738,617	11,413,387	6,129,821	7,229,689	7,502,660	N/A	\$4.07	\$7.75	\$4.23
Alliance	26,920,274	10.4%	1,228,202	0	3,433,574	1,799,601	436,252	355,217	N/A	N/A	N/A	\$3.46
N Fort Worth	29,035,362	3.8%	382,872	0	0	0	175,557	175,557	N/A	\$3.46	\$10.21	\$4.27
Center City	15,151,461	2.6%	56,954	0	0	0	43,202	50,402	N/A	N/A	\$18.00	\$5.37
East Fort Worth	15,994,221	5.7%	253,690	56,666	80,000	0	72,641	72,641	N/A	\$4.25	\$4.67	\$3.35
S Fort Worth	16,403,409	6.1%	581,507	46,082	0	67,081	638,532	613,882	N/A	N/A	\$8.69	\$3.04
W Fort Worth	947,373	0.0%	0	0	0	0	0	0	N/A	N/A	N/A	N/A
FORT WORTH	104,452,100	5.9%	2,503,225	102,748	3,513,574	1,799,601	1,366,184	1,267,699	N/A	\$3.61	\$8.56	\$3.57
TOTAL	535,563,673	8.0%	19,461,143	1,841,365	14,926,961	7,929,422	8,595,873	8,770,359	N/A	\$3.89	\$7.78	\$4.12

* RENTAL RATES REFLECT ASKING \$PSF/YEAR HT= HIGH TECH MF = MANUFACTURING OS = OFFICE SERVICE W/D = WAREHOUSE/DISTRIBUTION

MARKET HIGHLIGHTS

SIGNIFICANT Q3 2014 LEASE TRANSACTIONS	SUBMARKET	TENANT	PROPERTY TYPE	SQUARE FEET
1241 Cockrell Hill	Pinnacle/Turnpike	Dr. Pepper Snapple Group, Inc.	Warehouse/Distribution	376,424
400 Dividend Drive	Irving/Coppell	AS American Inc.	Warehouse/Distribution	234,000
SIGNIFICANT Q3 2014 SALE TRANSACTIONS	SUBMARKET	BUYER	PURCHASE PRICE / \$PSF	SQUARE FEET
3801 Collins Street	GSW/Centreport	General Motors Financial Company	Unknown	239,905
350 East Royal Lane	Irving/Coppell	Unknown	Unknown	176,639
600 Data Drive	Richardson/Plano	Unknown	Unknown	78,000
SIGNIFICANT Q3 2014 CONSTRUCTION COMPLETIONS	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
15101 North Beach Street	Alliance	Speculative	Q3 2014	1,002,620/ 0%
16101 Three Wide Drive	Alliance	Speculative	Q3 2014	729,900/ 0%
SIGNIFICANT PROJECTS UNDER CONSTRUCTION	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
1500 South Millers Ferry Road	I-20/Inland Port	P&G	Q4 2014	1,400,000 / 100%
501 West Danieldale Road	I-20/Inland Port	Speculative	Q4 2014	1,126,320 / 0%

MARKETBEAT INDUSTRIAL SNAPSHOT



DALLAS/FORT WORTH, TX

A Cushman & Wakefield Research Publication

Q1 2014



ECONOMIC OVERVIEW

At the end of February, the Texas Workforce Commission reported that the Dallas/Fort Worth (DFW) area had gained a total of 82,800 jobs during the past 12 months.

Industrial related industries (manufacturing and trade, transportation and utilities) gained 9,600 jobs in Dallas and 3,900 jobs in Fort Worth. The resulting unemployment figures in Dallas and Fort Worth registered 5.9% and 5.7%, respectively, 0.7 percentage points lower than last year's total and below the U.S. average of 7.0%.

OCCUPIER FOCUS

Direct absorption totaled 3.3 million square feet (msf), an increase of 38.7% over year ago levels. Major occupiers of space included Maritech Windows, Tri-Pack Enterprises, UPS Supply Chain, YKK AP America, American Building Supply, Trakk Fulfillment, Cummins Southern Plains, AmeriFreight, Quaker Oats, Cargill Inc. and IGPS Logistics.

Construction completions totaled 2.9 msf with three build-to-suits accounting for 64.3% of the total. In addition, the market reported an increase in projects under construction by 70.5% compared to first quarter 2013. Currently, 16.5 msf are under construction. Of that total, five are build-to-suit projects with a combined 2.2 msf and an additional 26 projects totaling 14.4 msf are speculative. DFW is on pace to have the second highest construction completion total since we began tracking DFW by year-end 2014 (20.5 msf in 2008).

Due to the amount of speculative projects under construction vacancy rates are expected to rise in the short term. Speculative construction completions are expected to add a total of at least 15.4 msf this year of which 13.1 msf is expected to be vacant space. If the buildings are not leased by the end of the year vacancy rates are expected to increase in submarkets with speculative construction.

INVESTOR FOCUS

After an action packed 2013 resulting in more than \$2.0 billion in industrial sales across DFW, market demand for investment industrial property continued to grow in first quarter 2014. In addition to the 6.4 msf in sales that were finalized in first quarter, a number of offerings are expected to close in the second quarter.

According to Real Capital Analytics, demand has compressed average cap rates to 7.4% and corresponding average pricing increased to \$74 psf.

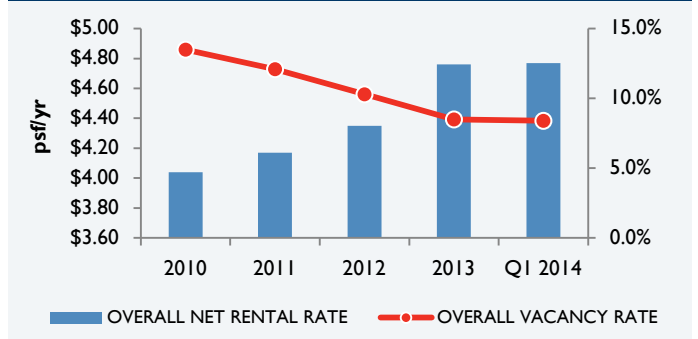
OUTLOOK

Due to expected job growth of 3.1% and population growth of 1.5% during 2014 (according to Moody's Analytics), asking rents are expected to rise during 2014. Triple net asking rents for warehouse/distribution and office showroom recorded \$3.61 psf and \$7.90 psf, an increase of 2.0% and 5.8%, respectively compared to first quarter 2013. We expect similar increases during 2014.

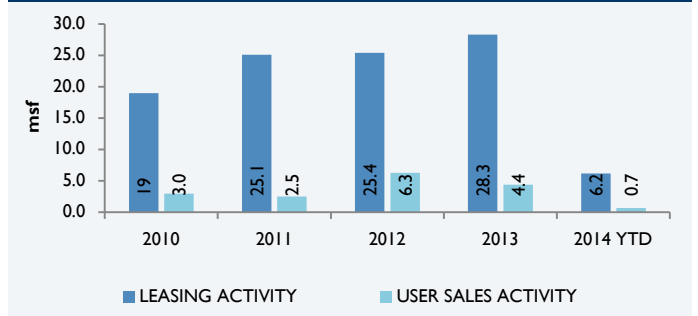
STATS ON THE GO

	Q1 2013	Q1 2014	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	9.8%	8.4%	-1.4pp	▲
Direct Asking Rents (psf/yr)	\$4.30	\$4.64	7.9%	▲
YTD Leasing Activity (sf)	5,572,901	6,812,516	22.4%	▲

OVERALL RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



DALLAS/FORT WORTH, TX

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	YTD LEASING ACTIVITY	YTD USER SALES ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION			DIRECT WEIGHTED AVERAGE NET RENTAL RATE		
									HT	MF	OS	W/D	
Richardson/Plano	43,353,224	11.3%	302,875	0	260,000	0	231,878	208,878	N/A	\$1.85	\$7.95	\$5.43	
Garland/Mesquite	49,900,665	10.8%	136,446	0	0	0	(12,219)	(12,219)	N/A	N/A	\$4.61	\$3.35	
North Dallas	30,997,347	8.5%	361,822	214,110	0	0	421,309	439,809	N/A	N/A	\$7.46	\$4.12	
Valwood	25,932,767	11.9%	209,556	0	635,817	0	39,025	(56,470)	N/A	\$4.19	\$6.90	\$3.87	
Irving/Coppell	62,910,510	8.2%	634,726	78,750	3,305,760	1,024,299	331,280	323,930	N/A	N/A	\$9.24	\$4.30	
Walnut Hill	21,256,475	7.4%	206,616	25,500	0	0	(45,061)	(45,061)	N/A	N/A	\$6.03	\$3.60	
Brookhollow	42,539,658	5.8%	364,595	24,000	168,000	0	73,524	69,949	N/A	\$2.15	\$10.67	\$3.83	
Pinnacle	18,271,573	8.6%	135,531	0	598,138	0	(15,687)	7,713	N/A	N/A	N/A	\$3.05	
Downtown	11,023,919	4.8%	0	0	0	0	0	0	N/A	N/A	N/A	\$2.59	
Redbird	15,326,923	7.2%	14,304	0	0	352,572	310,671	310,671	N/A	N/A	\$8.20	\$2.71	
GSW/Centreport	76,154,006	9.7%	1,724,153	324,120	2,979,031	277,000	(262,074)	(262,074)	N/A	\$3.00	\$8.00	\$3.19	
Far North I-35	15,593,199	7.7%	180,395	0	0	0	107,839	107,839	N/A	N/A	\$10.10	\$3.83	
I-20/Inland Port	14,359,295	17.6%	1,525,585	0	3,354,691	1,220,000	1,038,506	837,506	N/A	N/A	N/A	\$3.06	
DALLAS	427,619,561	9.9%	5,796,604	666,480	11,301,437	2,873,871	2,218,991	1,930,471	N/A	\$3.11	\$7.89	\$3.61	
Alliance	25,187,154	4.4%	333,200	0	5,166,094	0	562,500	518,814	N/A	N/A	N/A	\$3.73	
N Fort Worth	28,996,670	4.6%	59,009	0	0	0	(50,708)	(50,708)	N/A	\$3.15	\$10.16	\$3.93	
Center City	15,151,461	2.9%	0	0	0	0	0	0	N/A	N/A	N/A	\$6.26	
East Fort Worth	15,994,221	6.3%	73,496	0	0	0	(6,264)	(6,264)	N/A	\$4.25	\$4.35	\$3.33	
S Fort Worth	16,462,619	6.4%	550,207	0	67,081	0	550,207	525,557	N/A	N/A	\$7.73	\$3.05	
W Fort Worth	947,373	0.0%	0	0	0	0	0	0	N/A	N/A	N/A	N/A	
FORT WORTH	102,739,498	4.8%	1,015,912	0	5,233,175	0	1,055,735	987,399	N/A	\$3.56	\$8.30	\$3.59	
TOTAL	530,359,059	8.4%	6,812,516	666,480	16,534,612	2,873,871	3,274,726	2,917,870	N/A	\$3.22	\$7.90	\$3.61	

* RENTAL RATES REFLECT ASKING \$PSF/YEAR HT= HIGH TECH MF = MANUFACTURING OS = OFFICE SERVICE W/D = WAREHOUSE/DISTRIBUTION

MARKET HIGHLIGHTS

SIGNIFICANT Q1 2014 LEASE TRANSACTIONS	SUBMARKET	TENANT	PROPERTY TYPE	SQUARE FEET
1500 South Millers Ferry Road	I-20/Inland Port	Proctor and Gamble	Warehouse/Distribution	1,400,000
4900 Sherry	GSW/Centreport	William Sonoma Inc.	Warehouse/Distribution	820,097
6601 Oak Grove Road	South Fort Worth	P&G Corporation	Warehouse/Distribution	504,125
SIGNIFICANT Q1 2014 SALE TRANSACTIONS	SUBMARKET	BUYER	PURCHASE PRICE / \$PSF	SQUARE FEET
GE Capital Portfolio Sale	DFW	IndCor Properties	\$27,341,409 / \$37	738,957
4155 and 4255 Patriot Drive	Irving/Coppell	I&G Direct Real Estate	\$35,397,245 / \$55	645,464
4601 Gold Spike Drive	North Fort Worth	KTR FW I LLC	Undisclosed	558,602
SIGNIFICANT Q1 2014 CONSTRUCTION COMPLETIONS	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
2200 Daniel Dale Road	I-20/Inland Port	Pepsico	Q1 2014	1,220,000 / 100%
2555 South Valley Parkway	Irving/Coppell	Speculative	Q1 2014	529,155 / 0%
SIGNIFICANT PROJECTS UNDER CONSTRUCTION	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET (% LEASED)
Alliance Center North I	Alliance	Speculative	Q2 2014	1,100,000 / 100%
2701 West Bethel Road	Irving/Coppell	Speculative	Q3 2014	1,052,380 / 0%