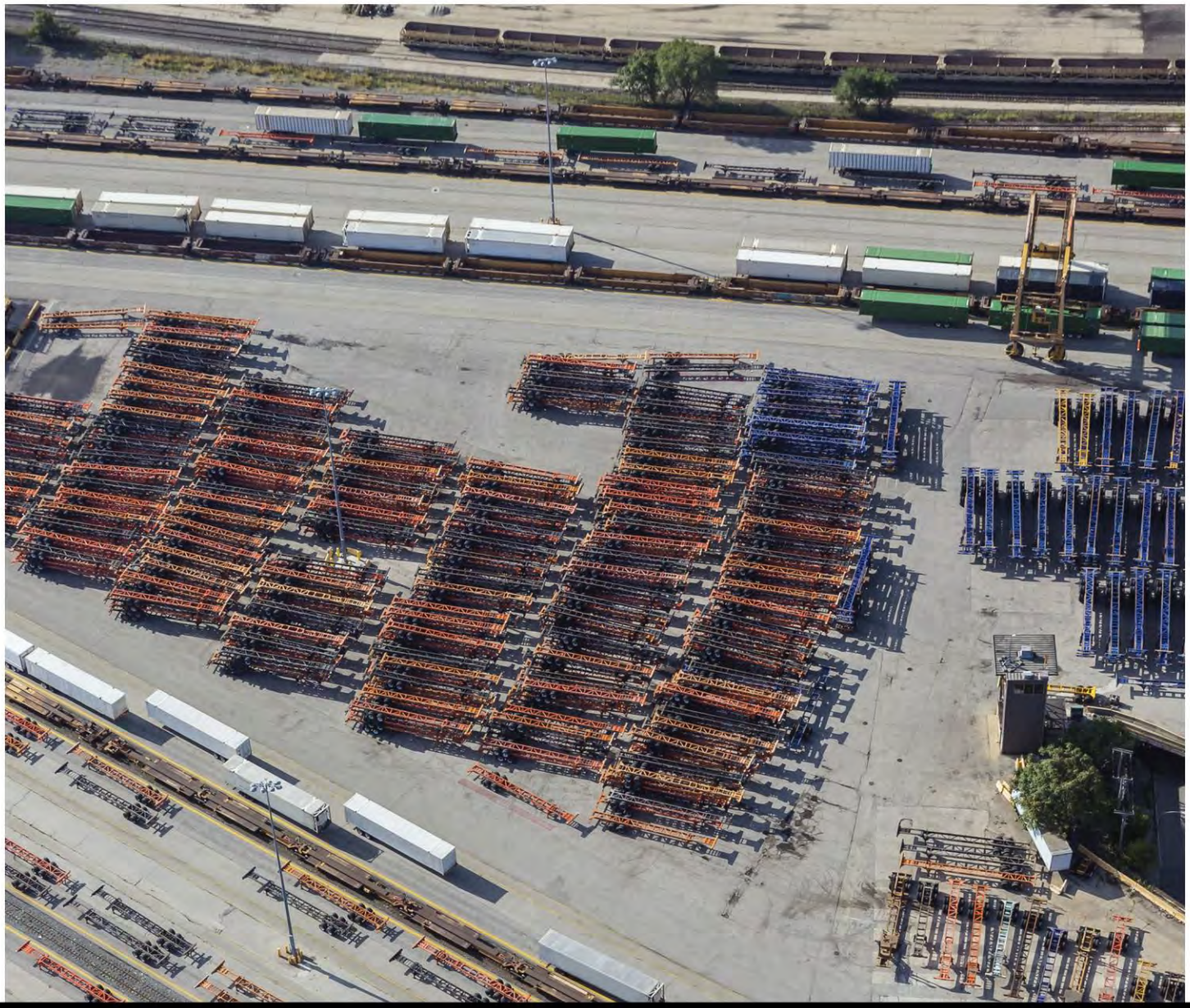

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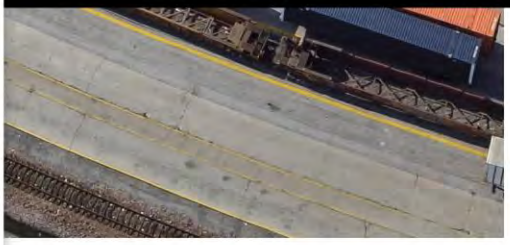
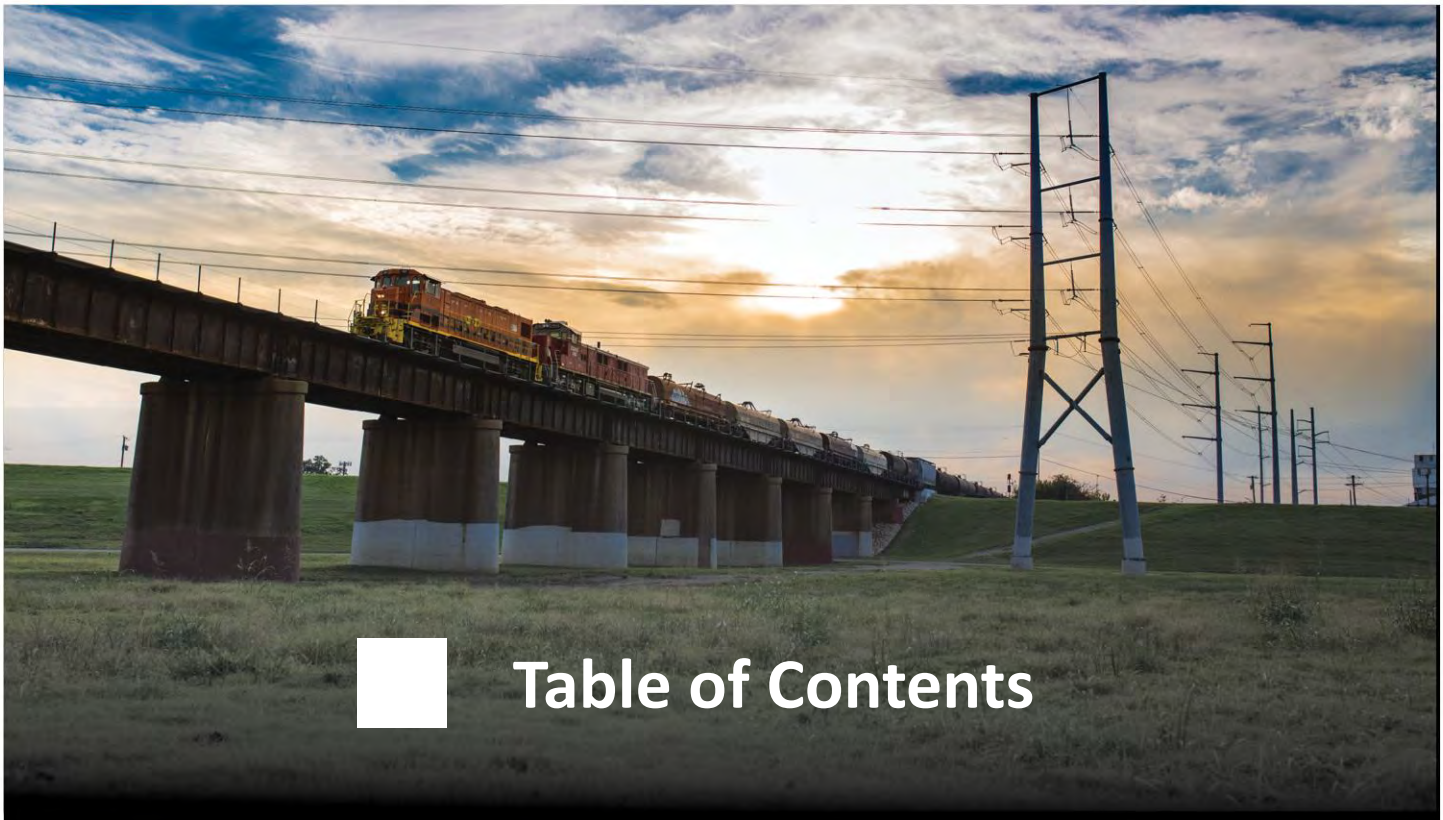
Q2 2017

DFW Industrial Market Overview





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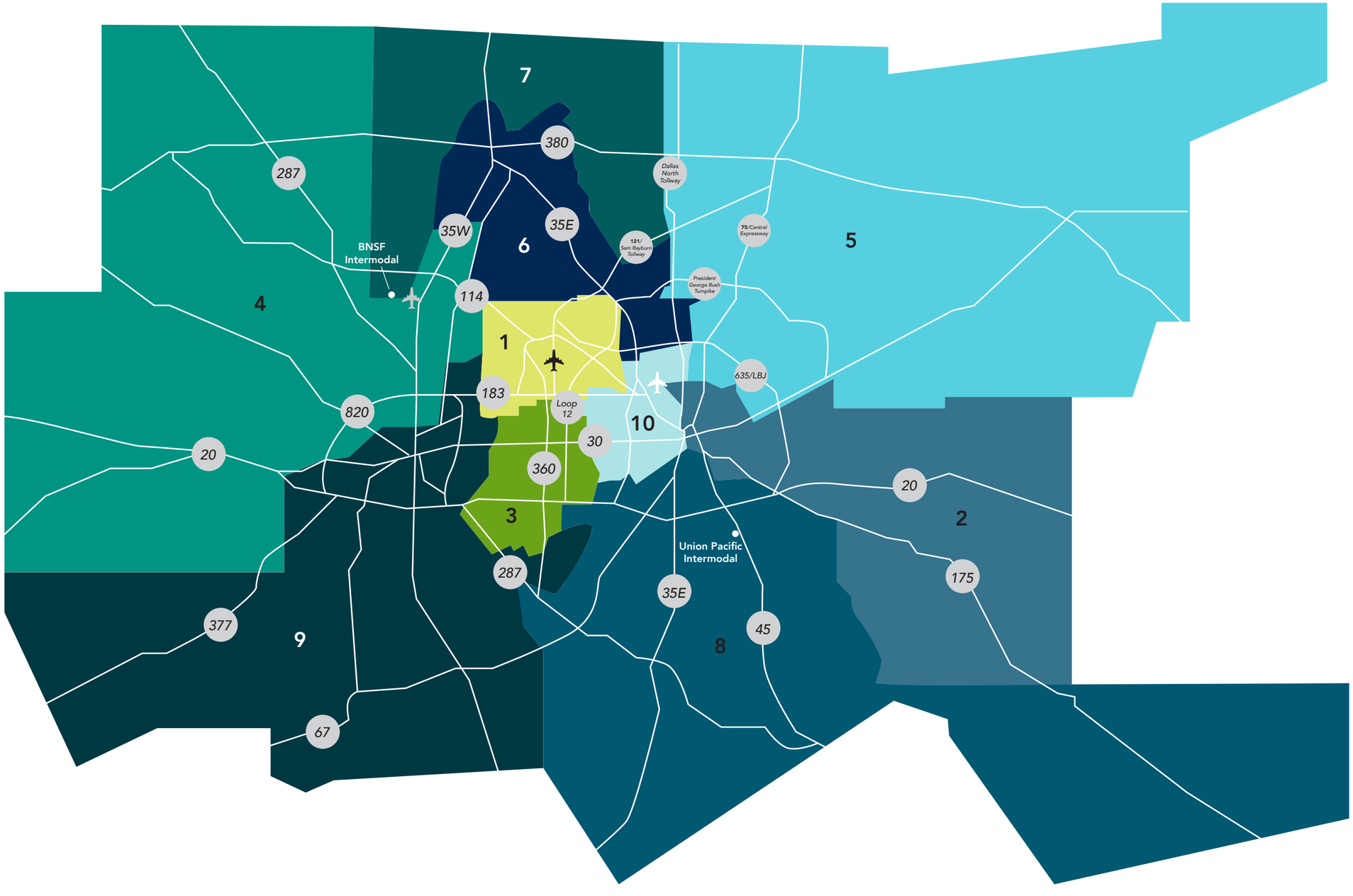
DFW Industrial Market Overview



Legend

- 1 - DFW Airport
- 2 - East Dallas Ind
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DFW INDUSTRIAL MARKET OVERVIEW

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Dallas-Fort Worth, TX

Q2 2017

ECONOMIC OVERVIEW

The Texas economy realized an excellent second quarter of continued growth. The second quarter of 2017 recorded the highest gain in total nonfarm employment growth since 2014 (88,600 positions), reversing a trend of lower growth in the first quarter, according to the Texas Workforce Commission. Statewide, total nonfarm employment increased year-to-date by 319,300 jobs. The Texas Workforce Commission also reported that the annual employment growth outperformed the previous two years with the annual growth rate up by 0.4% to 2.7%. Unemployment for the State of Texas decreased by 0.4% from the previous quarter to 4.6% in June. The Service-Providing sector recorded the strongest gains since January (30,500 jobs). The Dallas Federal Reserve reported a positive outlook with gains in employment, manufacturing output, and activity in nonfinancial services, according to the Beige Book. The Federal Reserve noted an increased demand for labor and increased wages. They specifically noted "broad-based demand for white-collar workers in Dallas-Fort Worth," but noted a slowdown in the rate of growth of the manufacturing sector statewide. The Dallas-Fort Worth (DFW) labor market grew by 3.4% by adding 118,200 jobs over the last 12 months (323 per day). The unemployment rate for DFW declined by 0.3% to 4.0%. The Dallas-Plano-Irving area led the state with over 89,800 jobs added over the last 12 months.

TENANT OUTLOOK

Net absorption for the fourth quarter totaled a positive 5,721,324 SF, for warehouse and flex product combined, significantly higher than the previous quarter (4,877,846 SF), for a total of 10,599,170 SF year to date. The second quarter was still almost half of the huge 3rd quarter of 2016 (9,807,717 SF) that was greater than the entire years for 2009, 2010, 2011, and 2012. Warehouse net absorption totaled a positive 4,722,280 SF for the second quarter, up over 29% from the previous quarter.

The average quoted asking quoted rental rate for Industrial product declined to $5.38 per square foot per year (down from $5.61 per SF for the previous two quarters). Average warehouse rates declined 5.4% to $4.54 per square foot per year.

The vacancy rate in DFW stayed flat at 6.5% for the second quarter. Warehouse vacancy increased 0.1% from the first quarter to 6.6%.

Total Industrial sublease vacancy increased 4% from the first quarter to 1,977,509 SF. Warehouse sublease vacancy decreased by 2% to a total of 1,518,643.

4,422,298 SF of new industrial space was delivered in the second quarter of 2017 for a total of 36 buildings. Approximately 15% of the new development deliveries were comprised of single tenant facilities.

22,269,488 SF of new industrial space was under construction by the end of the second quarter 2017, of which warehouse new construction comprises 20,948,688 SF. The two largest projects currently under construction for the second quarter were the 1,200,000 SF General Motors Assembly Plant Expansion (Lower Great Southwest) and the speculative 1,089,642 SF Trammell Crow at 35 Eagle – Building A development at 15245 Heritage Parkway (NE Tarrant/Alliance). Notable warehouse deliveries for the first half of 2017 included SouthPort Logistics Park – Building 1, a 1,075,260 SF facility (SE Dallas/I-45), and 2008 Lookout Dr., a 1,000,000 SF Data Center for RagingWire (Richardson).

AT A GLANCE

	Q1 2017	Q2 2017	% Change
Overall Vacancy	6.5%	6.5%	0.0%
Overall Rental Rates	$5.61	$5.38	-4.1%
YTD Absorption	4,744,789	10,599,170	123%

TOP LARGE LEASES

	TENANT	FOCUS MARKET	SQUARE FEET
35/820 @ Mercantile Center	S&S Activewear	Meacham Fld/Fossil Cr	492,322
Liberty Park GSW South	FedEx	Arlington	365,000
Prologis Northgate 18	Speed FC	NE Dallas/Garland	267,690
Logistics Pointe Distribution Center	The Kraft Heinz Co.	NE Dallas/Garland	260,959

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DFW INDUSTRIAL MARKET OVERVIEW

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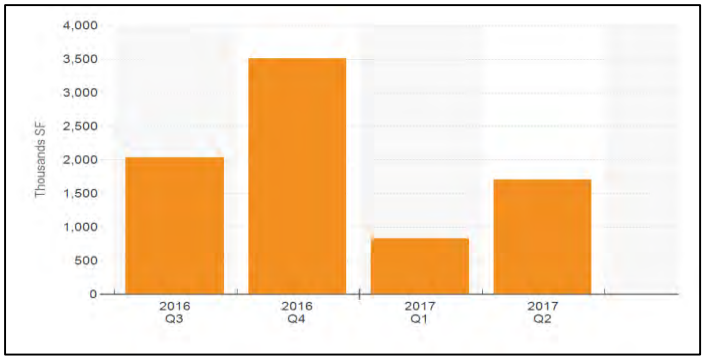
Dallas-Fort Worth, TX

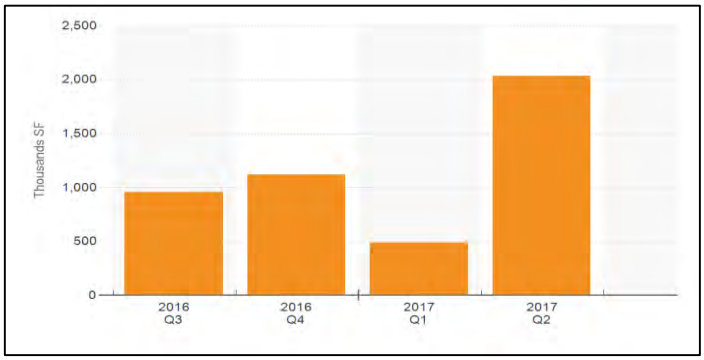
Q2 2017

LEASING ACTIVITY



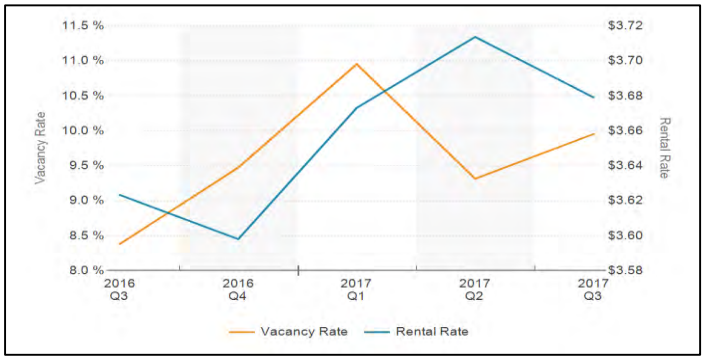
*figures based on industrial product over 100,000 total RSF

NET ABSORPTION



*figures based on industrial product over 100,000 total RSF

VACANCY VS RENTAL RATES



*figures based on industrial product over 100,000 total RSF

INVESTOR OUTLOOK

Industrial building sales activity for 2017 has continued to fall. The first quarter of 2017 recorded 30 industrial sales for a total of 3,093,430 square feet at an average of $53.00 per square foot for a total of $163,954,994. The fourth quarter of 2017 recorded 20 industrial sales for a total 4,828,589 square feet at an average of $64.53 per square foot for a total of $311,573,765. 2016 recorded 56 industrial sales at an average of $61.88 per square foot for a total of $625,500,704 compared to 66 industrial sales at an average of $66.54 per square foot for a total of $705,949,479 in 2015. Cap rates increased slightly in the first quarter of 2017 to an average of 8.49%. Average cap rates for 2016 averaged 8.41% compared to 7.91% in 2015. One of the largest industrial sale transactions was the second quarter 2017 sale of the 758,922 square foot DalPort Trade Center – Building 1 (SE Dallas/I-45). The building is 100% leased by three tenants and was sold for $42,000,000 or $55.34/SF at a 5.9% cap rate.

OUTLOOK FOR THE FUTURE

2017 is shaping up to be a solid year. Though the market has not seen the rate of growth it experienced coming out of the recession, the fundamentals for Dallas-Fort Worth are positive and the outlook for 2017 is very positive. Population growth and continued job growth are continuing to bolster the overall economy.

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INDUSTRIAL MARKET SNAPSHOT
Q2 2017

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Dallas-Fort Worth, TX

WAREHOUSE MARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	TOTAL VACANT	OVERALL VACANCY RATE	YTD NET ABSORPTION	YTD DELIVERIES	UNDER CNSTR	AVERAGE ASKING RENT
DFW Airport Ind.	565	63,907,360	4,067,980	4,200,030	6.6%	(199,298)	1,148,870	2,067,046	$4.38
East Dallas Ind.	1,316	41,893,620	1,563,343	1,573,343	3.8%	272,544	0	351,874	$3.94
Great SW/Arlington Ind.	1,296	97,115,438	8,043,867	8,419,305	8.7%	1,348,068	3,952,612	4,503,458	$4.17
North Ft. Worth Ind.	1,206	83,969,675	5,493,509	5,570,709	6.6%	2,600,852	1,605,136	3,623,548	$4.45
Northeast Dallas Ind.	1,730	84,058,315	4,211,237	4,649,558	5.5%	380,493	639,100	1,470,316	$4.46
Northwest Dallas Ind.	1,317	88,765,484	3,999,077	4,131,393	4.7%	1,835,040	1,326,460	1,298,873	$4.94
South Dallas Ind.	1,379	90,210,770	9,240,129	9,537,046	10.6%	1,469,083	4,035,461	6,132,195	$3.66
South Fort Worth Ind.	2,475	75,867,115	2,918,183	2,947,383	3.9%	(149,480)	252,250	709,138	$5.13
South Stemmons Ind.	2,929	105,530,805	6,886,525	6,913,726	6.6%	806,984	527,741	792,240	$5.53
DFW TOTAL	14,213	731,318,582	46,423,850	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

FLEX MARKET	TOTAL BLDGS	INVENTORY	DIRECT VACANT	TOTAL VACANT	OVERALL VACANCY RATE	YTD NET ABSORPTION	YTD DELIVERIES	UNDER CNSTR	AVERAGE ASKING RENT
DFW Airport Ind.	343	9,106,000	732,872	753,339	8.3%	101,664	6,600	0	$9.42
East Dallas Ind.	652	8,524,499	867,226	877,281	10.3%	26,513	0	0	$8.85
Great SW/Arlington Ind.	497	10,341,035	619,903	638,283	6.2%	333,060	11,000	0	$8.70
North Ft. Worth Ind.	297	5,622,179	178,098	389,979	6.9%	179,155	18,000	300,000	$10.28
Northeast Dallas Ind.	1,305	31,658,298	2,255,498	2,300,735	7.3%	1,292,215	1,715,470	499,000	$9.58
Northwest Dallas Ind.	752	21,386,929	1,720,952	1,807,503	8.5%	231,800	349,281	470,000	$9.83
South Dallas Ind.	405	4,536,392	65,740	65,740	1.4%	24,533	0	15,000	$8.58
South Fort Worth Ind.	919	13,568,343	418,692	467,892	3.4%	17,829	0	0	$8.39
South Stemmons Ind.	1,807	28,416,340	1,087,605	1,104,700	3.9%	28,115	0	36,800	$10.41
DFW TOTAL	6,977	133,160,015	7,946,586	8,405,452	6.3%	2,234,884	2,100,351	1,320,800	$9.59

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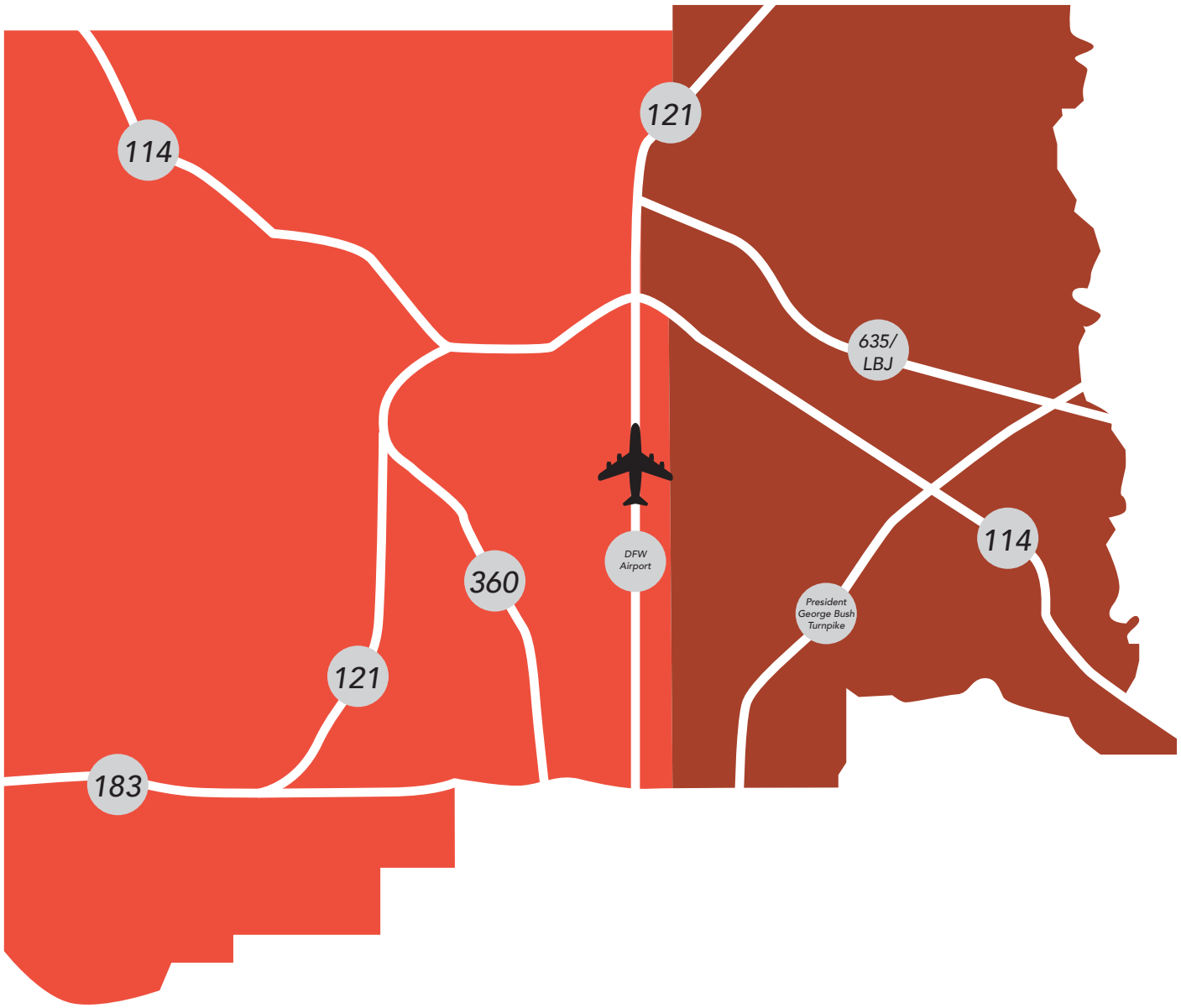
DFW Airport Industrial Market



Legend

- W DFW Airport Grapevine Ind
- E DFW Airport Las Colinas Ind

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MARKETBEAT
Industrial Submarket Report

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Western DFW Airport/Grapevine Industrial — Q2 2017

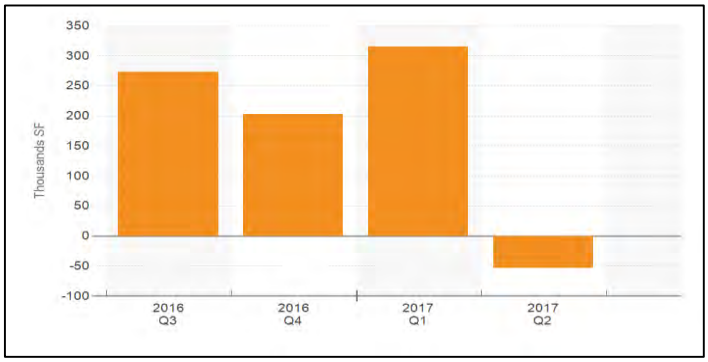
The Western DFW Airport/Grapevine Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 3.3%. The vacancy rate increased 0.3% from the previous quarter of 3.0% with 53,422 square feet of net negative absorption over the quarter to finish Q2 at 261,542 square feet net cumulative absorption.

Rental rates ended the second quarter at $6.62/SF, increasing from $6.55/SF in the previous quarter. There were no new construction deliveries and currently 347,042 SF of industrial space under construction.

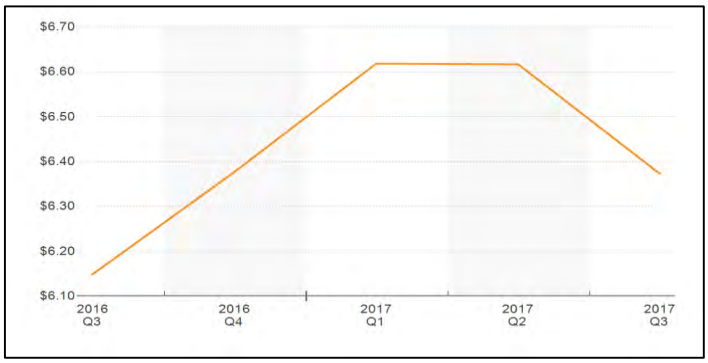
Significant leases signed this quarter included a 37,167 SF lease at 2450 W Airfield Dr. by Air Logistics. ElmTree Funds purchased 150,975 SF at 1727 S Main St as part of a national portfolio.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2450 W Airfield Dr.	Air Logistics	Industrial	37,167
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1727 S Main St. (Part of Portfolio)	ElmTree Funds	Undisclosed	150,975
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
1255 Mustang Dr.	Ascendant Commercial	Q3 2017	158,466
1275 Metro Cir.	Ascendant Commercial	Q3 2017	108,300

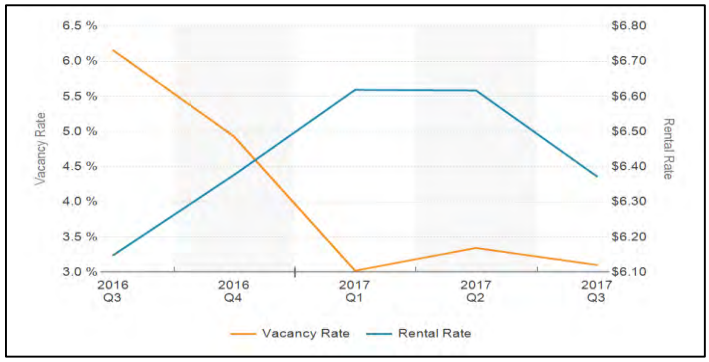
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Western DFW Air/Grapevine Ind	16,517,173	552,338	3.3%	261,542	0	347,042	$6.62
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

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East DFW Airport/Las Colinas Industrial — Q2 2017

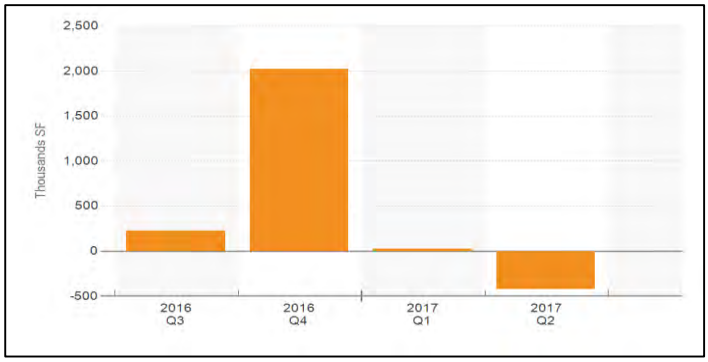
The East DFW Airport/Las Colinas Industrial Submarket ended the second quarter with a vacancy rate of 7.7%. The vacancy rate increased from the previous quarter of 5.6% with a YTD net negative absorption of -460,840 SF.

Rental rates ended the second quarter at $4.10/SF, decreasing from $4.30/SF in the previous quarter. YTD new construction deliveries increased to 1,148,870 SF. There is currently 1,720,004 SF of industrial space under construction.

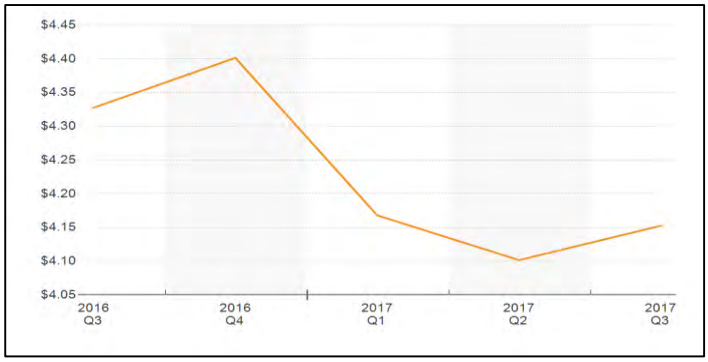
Significant leases included a 60,380 SF lease at 921 W Bethel Rd. to BeavEx, Inc. Ervin Cable Construction, LLC acquired 4405 Reese Dr. of 15,400 SF in the submarket at $3,337,500.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
921 W Bethel Rd.	BeavEx, Inc.	Industrial	60,380
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
4405 Reese Dr. (Portfolio Sale)	Ervin Cable Construction, LLC	$3,337,500	15,400
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
2601 W Bethel Rd.	Perot Development	Q4 2017	1,008,176
4301 Patriot Dr.	DCT Industrial Trust	Q3 2017	112,283

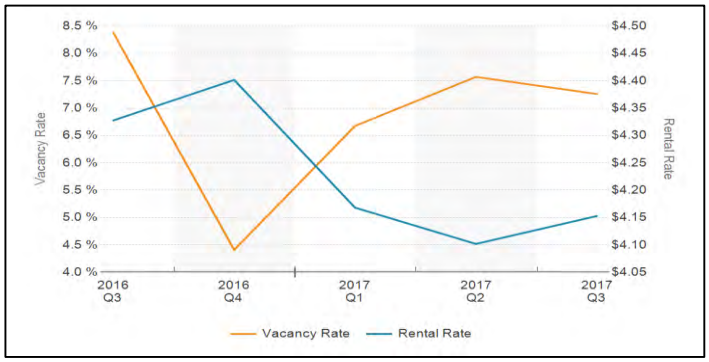
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
East DFW Airport/Las Colinas Industrial	47,390,187	3,647,692	7.7%	-460,840	1,148,870	1,720,004	$4.10
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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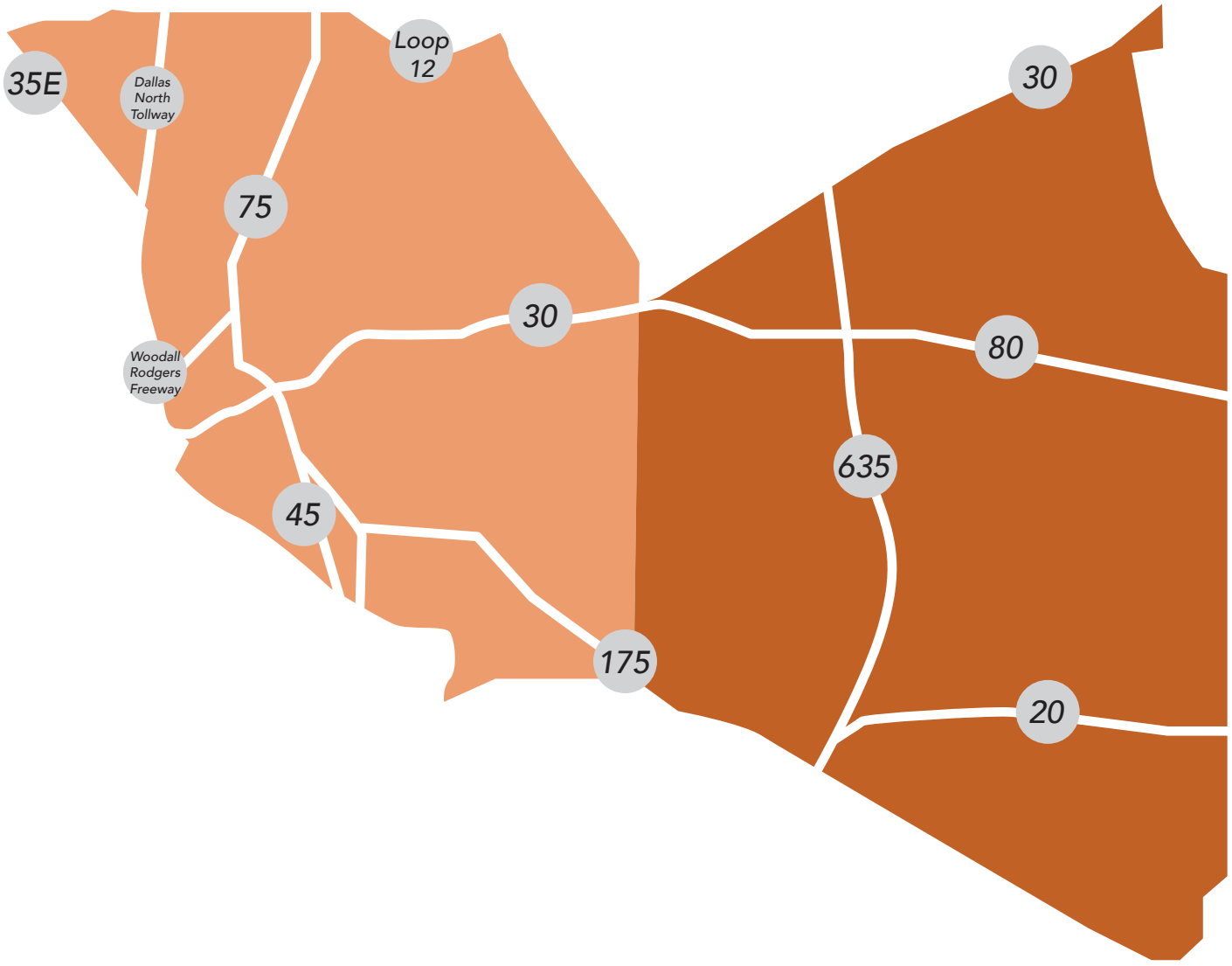
East Dallas Industrial Market



Legend

- Central East Dallas Ind
- East Dallas Mesquite Ind

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Central East Dallas Industrial

Q2 2017

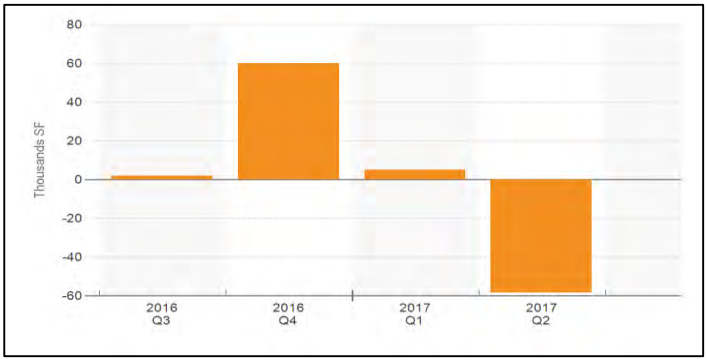
The Central East Dallas Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 2.6%, up 0.4% from the previous quarter of 2.2%. Q2 ended with a negative net absorption of -53,462 SF.

Rental rates ended the first quarter at $4.20/SF, decreasing from $4.22/SF in the previous quarter. YTD new construction deliveries and construction projects remained zero.

Significant lease transactions included a lease of 1400 S Haskell Ave. of 15,000 SF by Thomas Lewis. Sales transactions included Genuine Parts Company in the purchase of 4600 Lawnview Ave. for $3,360,898.

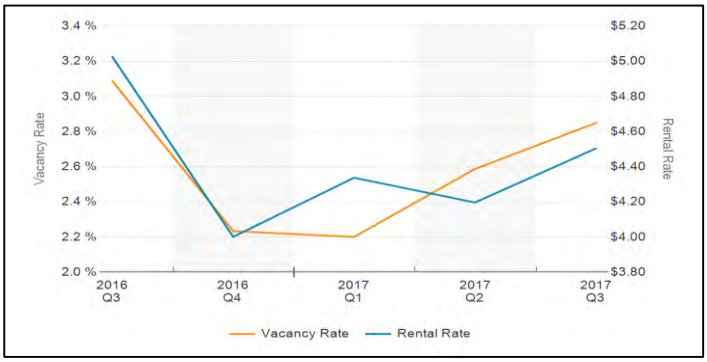
LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
1400 S Haskell Ave	Thomas Lewis	Industrial	6,000
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
3730 Dilido Rd.	Tuong H Nguyen	Undisclosed	38,815
4600 Lawnview Ave (Portfolio)	Genuine Parts Company	$3,360,898	10,000
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

Net Absorption



Asking Rent Per SF

Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Central East Dallas Industrial	15,184,615	391,180	2.6%	-53,462	0	0	$4.20
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

East Dallas/Mesquite Industrial — Q2 2017

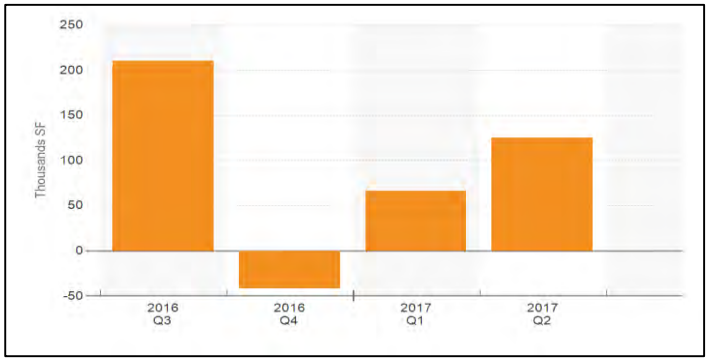
The East Dallas/Mesquite Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 4.6%. The vacancy rate decreased 0.6% from the previous quarter of 5.2% with 99,033 square feet of net positive absorption for the last quarter to finish Q2 at 190,818 square feet net cumulative absorption.

Rental rates ended the second quarter at $3.81/SF, increasing from $3.72/SF in the previous quarter. YTD new construction deliveries remained at 0 SF and there is 351,874 SF total in construction projects in the submarket.

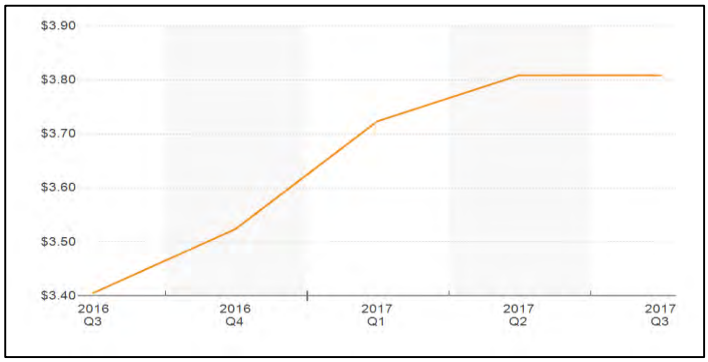
Significant lease transactions included GreatWide in the lease of 100,000 SF at 1201 Big Town Blvd. Monmouth Real Estate acquired a 351,874 SF building at 5005 Samuell Blvd for $50,261,072.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
1201 Big Town Blvd	Greatwide	Industrial	100,000
5015 Catron Dr.	KapStone Container	Industrial	58,000
4401 Sammuel Blvd	Novamex	Industrial	42,919
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
5005 Samuell Blvd	Monmouth Real Estate Investment	$50,261,072	351,874
8901 Forney Rd.	Dalfen America Group	Undisclosed	419,626
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
FedEx Ground Distribution Facility	42 Real Estate	Q3 2017	351,874

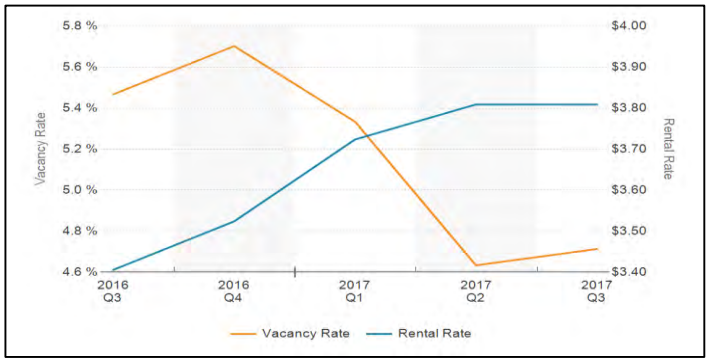
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
East Dallas/Mesquite Industrial	17,857,258	827,040	4.6%	190,818	0	351,874	$3.81
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,346,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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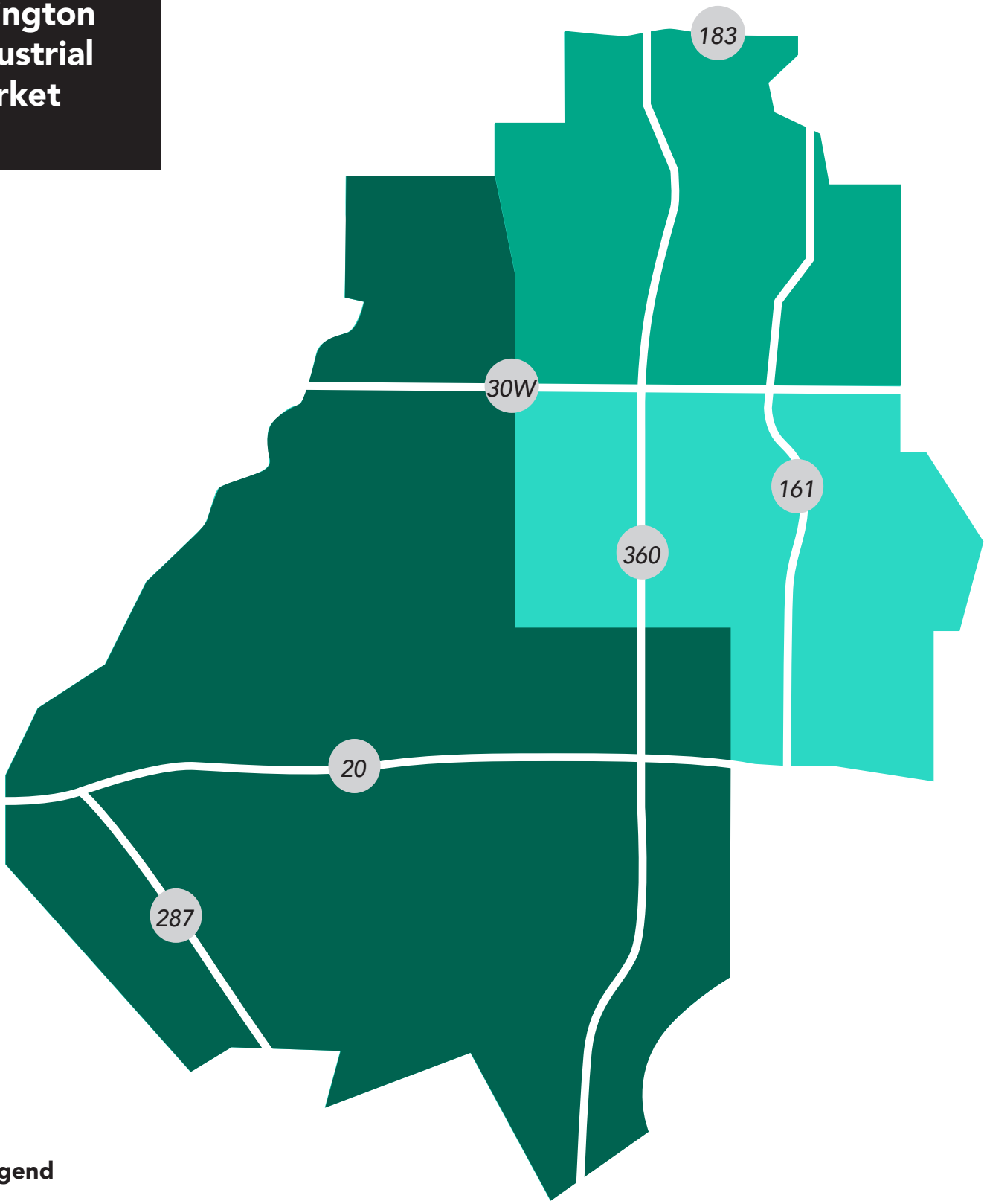
Great SW Arlington Industrial Market



Legend

- Lower Great Southwest Ind
- Upper Great Southwest Ind
- Arlington Ind

N

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Industrial Submarket Report

WHITEBOX REAL ESTATE

Lower Great Southwest Industrial — Q2 2017

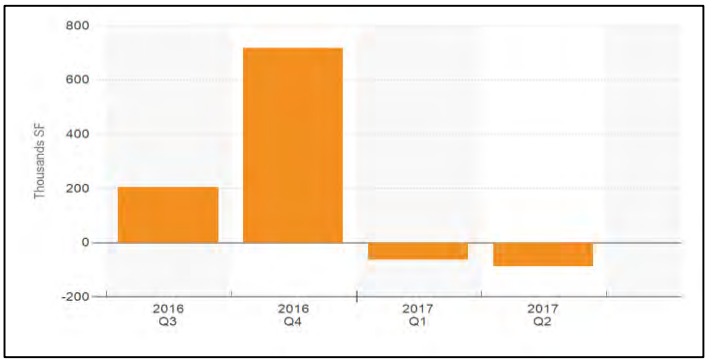
The Lower Great Southwest Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 4.1%. The vacancy rate increased slightly from the previous quarter of 3.9% with 85,450 SF of net negative absorption for the last quarter to finish the year at -201,176 SF net cumulative absorption.

Rental rates ended Q2 at $3.87/SF, increasing from $3.85/SF in the previous quarter. There were 0 SF YTD new construction deliveries and currently 1,200,000 SF of industrial space under construction.

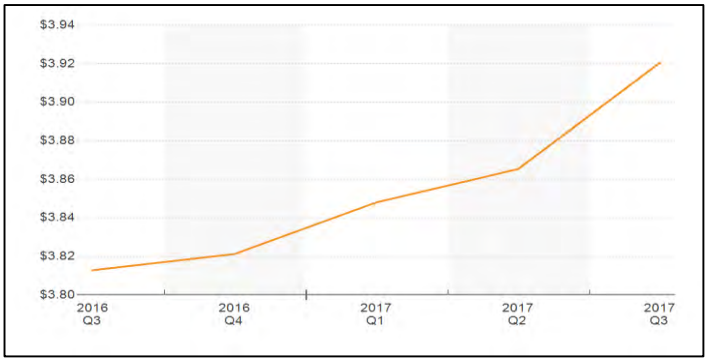
Significant leases included TSI Products' 99,660 SF lease at 809 110th St and Marlite's 50,121 SF lease at 514 N Great Southwest Pkwy. Blackstone Real Estate Income Trust acquired 957 Heinz Way at 160,000 SF for $9,677,051 as part of a portfolio sale. Stonelake Capital Partners purchased a property containing 72,900 SF for $4,000,000.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
809-811 110TH St	TSI Products, Inc.	Industrial	99,660
514-516 N Great Southwest Pkwy	Marlite, Inc.	Industrial	50,121
3420 Avenue F	Pilgrim's Food Systems	Industrial	30,459
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
957 Heinz Way (Portfolio Sale)	Blackstone Real Estate Income Trust, Inc.	$10,999,357	160,000
634-640 107th St	Stonelake Capital Partners	$4,000,000	72,900
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
2525 E Abram St	NP Arlington Industrial LLC	Q4 2018	1,200,000

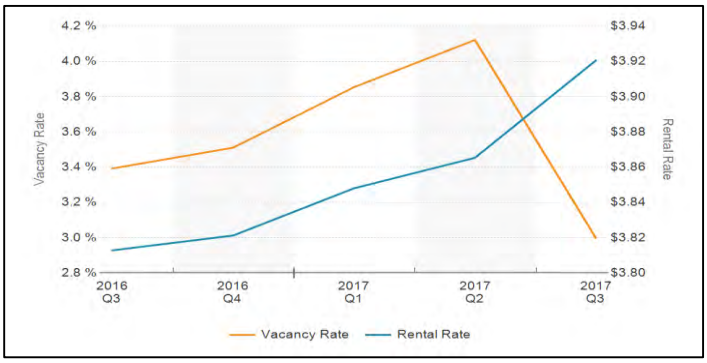
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Lower Great Southwest Industrial	32,574,825	1,345,275	4.1%	-201,176	0	1,200,000	$3.87
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Industrial Submarket Report

WHITEBOX REAL ESTATE

Upper Great Southwest Industrial — Q2 2017

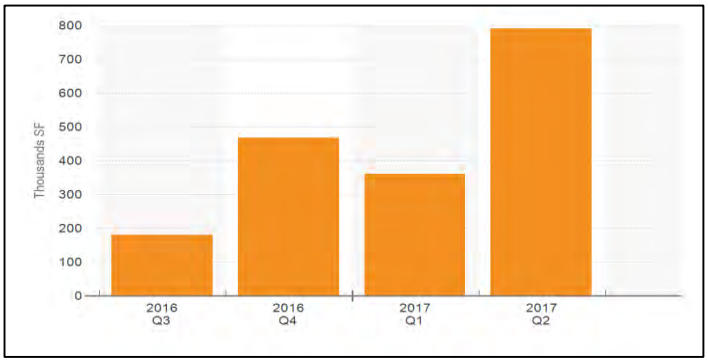
The Upper Great Southwest Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 12.5%. The vacancy rate increased 1.6% from the previous quarter of 10.9% with 773,746 square feet of net positive absorption over the last quarter to finish Q2 at 1,151,298 SF net cumulative absorption.

Rental rates ended the second quarter at $4.28/SF, increasing from $4.18/SF in the previous quarter. There were 3,952,612 SF in YTD new construction deliveries and there is currently 200,606 SF of industrial space under construction.

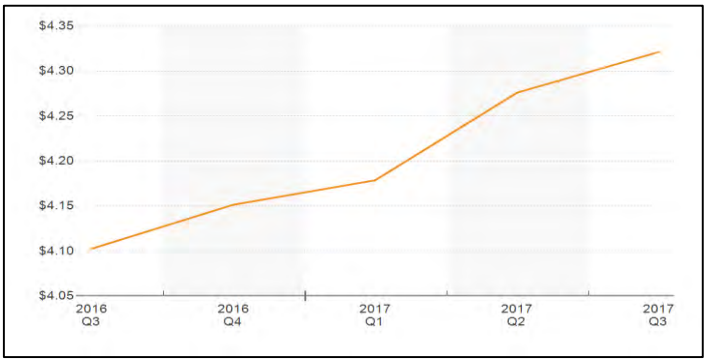
Significant leases included a 211,850 SF lease at 610 W Trinity Blvd to APL Logistics and a 187,100 SF lease at 510 W Trinity Blvd to UTI Worldwide. GSW Gateway acquired a building of 315,000 SF at 2930 114th Street for an undisclosed price and Blackstone Real Estate Income Trust purchased 141,953 SF at 902 W Carrier Pky as part of a national portfolio.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
610 W Trinity Blvd	APL Logistics	Industrial	211,850
510 W Trinity Blvd	UTI Worldwide	Industrial	187,100
4300 Diplomacy	Ox Paperboard	Industrial	103,889
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
2930 114th St.	GSW Gateway	Undisclosed	315,000
902 W Carrier Pky (part of national portfolio)	Blackstone Real Estate Income Trust	$8,585,540	141,953
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
360 N Frontage Rd.	Hillwood	Q4 2017	117,481
1460 Avenue S	Port Logistics Realty	Q3 2017	83,125

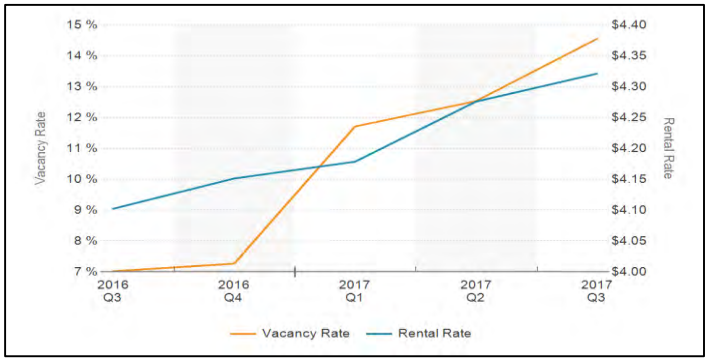
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Upper Great Southwest Industrial	47,688,704	5,979,929	12.5%	1,151,298	3,952,612	200,606	$4.28
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Industrial Submarket Report

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Arlington Industrial

Q2 2017

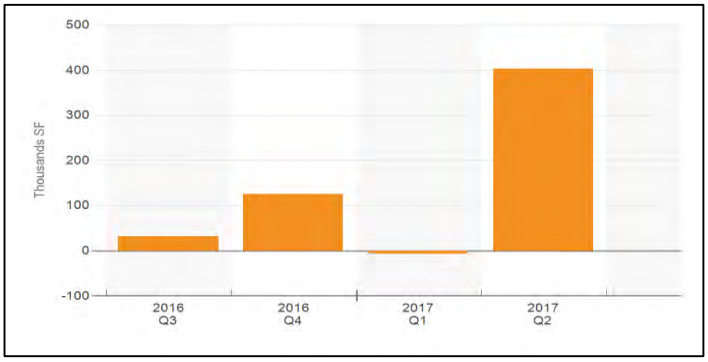
The Arlington Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 6.5%. The vacancy rate decreased by 2.4% from the previous quarter of 8.9%, with a YTD net absorption of 397,946 SF to end Q2 2017.

Rental rates ended the second quarter at $4.33/SF, just a $0.01 increase from the previous quarter. Arlington currently has 3,102,852 SF of industrial space under construction and delivered no new space as of Q2 2017.

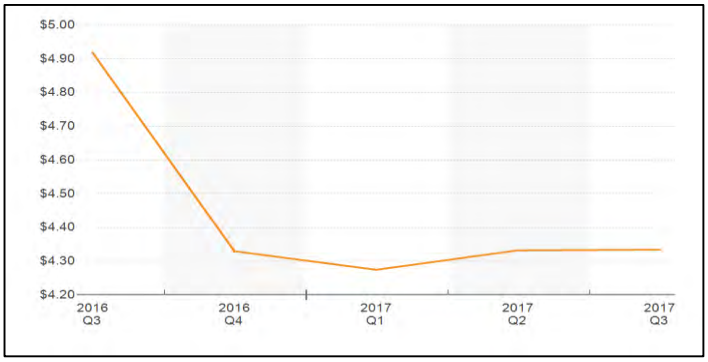
FedEx leased 365,000 SF lease at 2251 E Bardin Rd. and Stens Specialty Brands LLC leased 80,000 SF at 3010 Red Hawk Dr. Everflow Supplies acquired 263,380 SF at 2300 Bardin Rd. for an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2251 E Bardin Rd.	FedEx	Industrial	365,000
3010 Red Hawk Dr.	Stens Specialty Brands LLC	Industrial	80,000
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
2300 Bardin Rd.	Everflow Supplies Inc.	Undisclosed	263,380
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
2320 E Bardin Rd.	Exeter Property Group	Q4 2017	1,004,400
Park 20/360	Ridge Development	Q4 2017	722,733

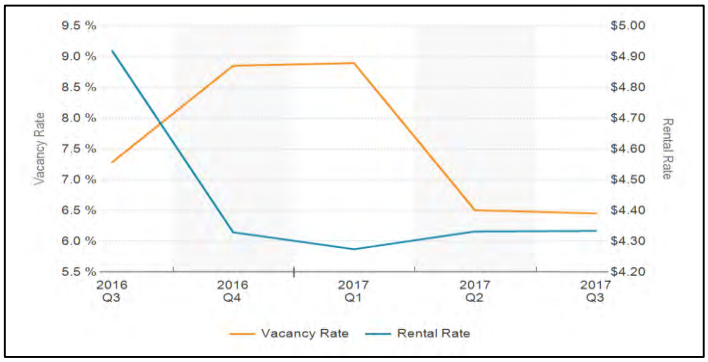
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Arlington Industrial	16,851,909	1,094,101	6.5%	397,946	0	3,102,852	$4.33
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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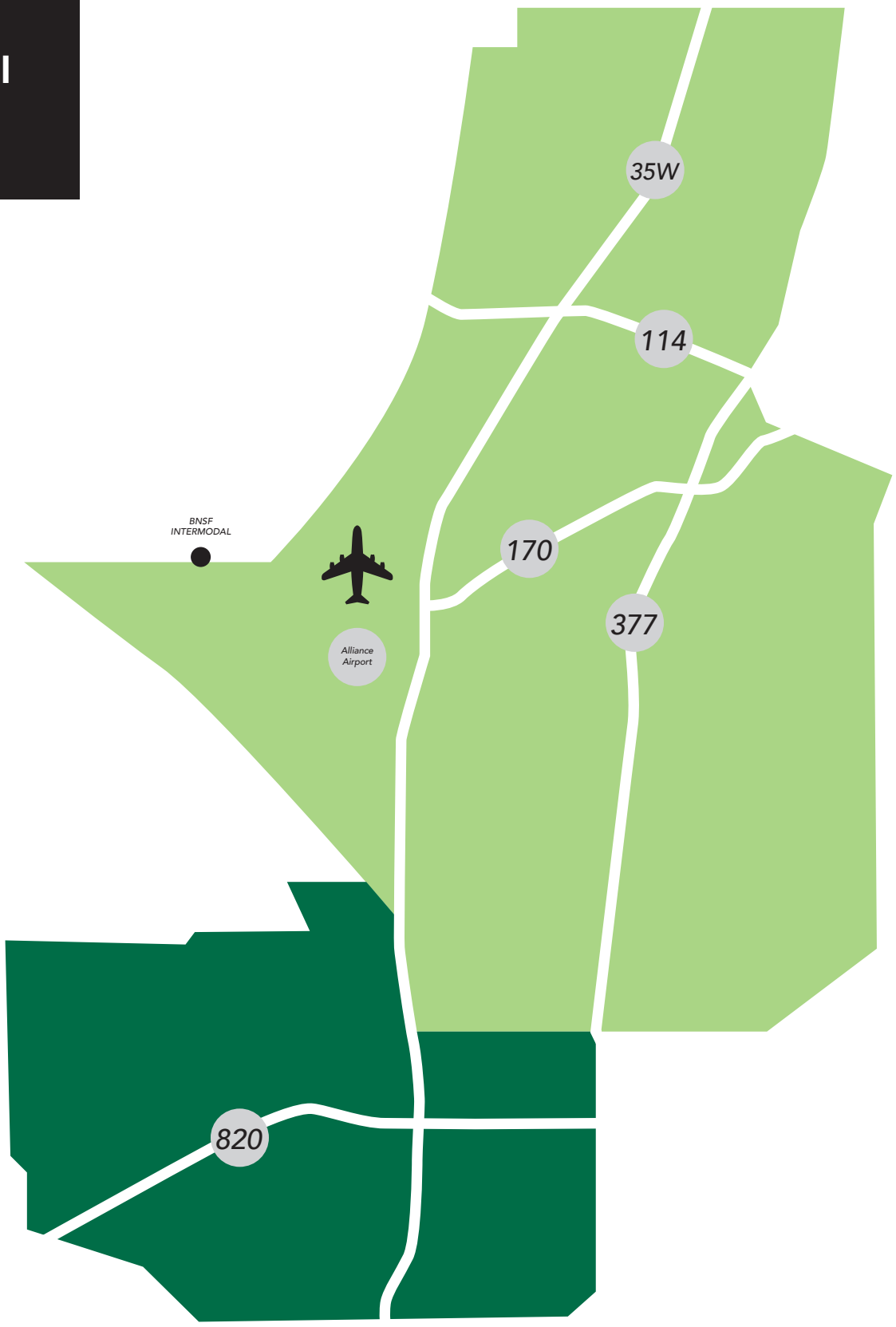
N FTW & Alliance Industrial Market



Legend

- NE Tarrant/Alliance Ind
- Meacham Fld/Fossil Cr Ind

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MARKETBEAT
Industrial Submarket Report

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NE Tarrant/Alliance Industrial

Q2 2017

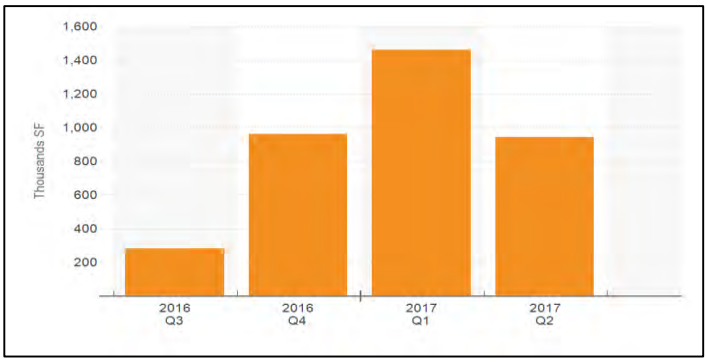
The NE Tarrant/Alliance Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 9.2%. The vacancy rate decreased 0.1% from the previous quarter of 9.3%. Q2 finished at a net cumulative absorption of 2,364,444 square feet.

Rental rates ended the second quarter at $4.26/SF, increasing from $3.89/SF in the previous quarter. There were 1,522,710 SF in new construction deliveries. There is currently 2,236,458 SF of industrial space under construction.

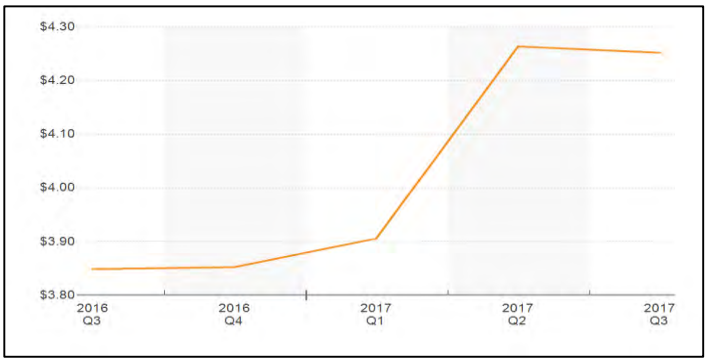
Significant leases included a 7,200 SF lease at 2163 Golden Heights Rd. by Valley Store Shelters. In Q2 Fitzwilliam Inv Group Inc acquired 29,856 SF at 1103 Keller Parkway for an undisclosed amount as part of a multi-property portfolio.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2163 Golden Heights Rd	Valley Store Shelters	Industrial	7,200
2163 Golden Heights Rd	Diamond Pools	Industrial	7,200
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1103 Keller Pky (part of multi-property portfolio)	Fitzwilliam Inv Group Inc	Undisclosed	29,856
13415 Cleveland Gibbs Rd	Mark Desmond Howard	Undisclosed	13,000
1928-1938 Josh Rd	Undisclosed	Undisclosed	11,133
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
Trammell Crow 35	Trammell Crow	Q4 2017	1,636,652
Synergy Crossing	Ironwood Realy Partners	Q4 2017	503,500

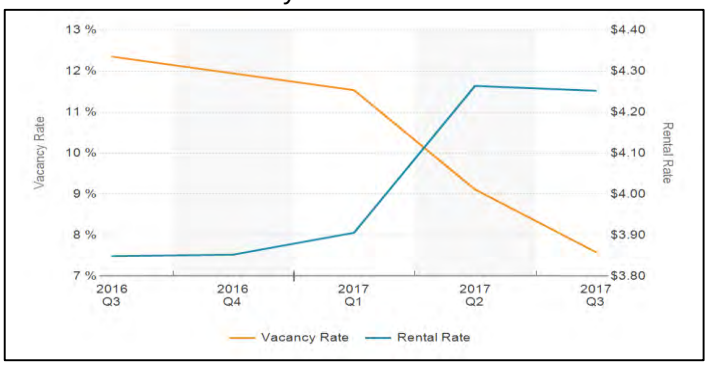
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
NE Tarrant/Alliance Industrial	37,786,349	3,489,158	9.2%	2,364,444	1,522,710	2,236,458	$4.26
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

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Meacham Field/Fossil Creek

Q2 2017

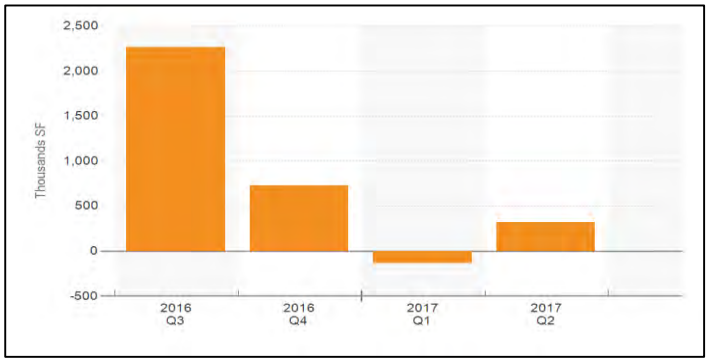
The Meacham Field/Fossil Creek Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 4.7%. The vacancy rate decreased from the previous quarter of 5.4% with 299,549 SF of net positive absorption over the quarter to finish at 183,382 SF net cumulative absorption.

Rental rates ended the second quarter at $4.19/SF, increasing from $3.95/SF in the previous quarter. YTD new construction deliveries increased to 70,826 SF. There is currently 1,257,043 SF of industrial space under construction.

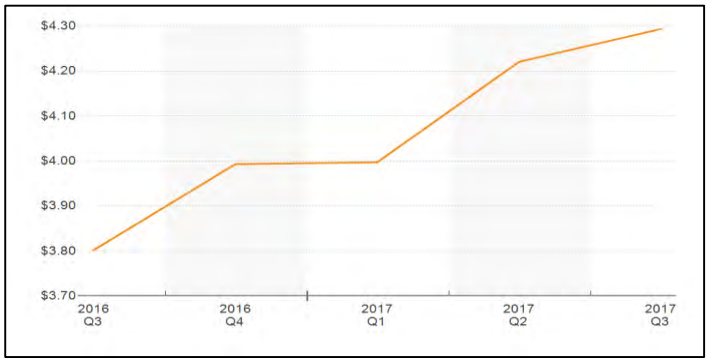
Significant leases included an S&S Activewear's lease at 4800 N Sylvania Rd with 492,322 SF. Wilson & Stonaker purchased 1100 Northway Dr containing 62,597 SF for an undisclosed amount.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
4800 N Sylvania Rd	S&S Activewear	Industrial	492,322
2051 Franklin Dr	Rhythm Band Instruments	Industrial	34,988
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1100 Northway Dr (Part of Multi-Property Sale)	Wilson & Stonaker, Inc.	Undisclosed	62,597
5117 Northeast Pky	Rosdev Portfolio Tos Llc	Undisclosed	62,466
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
3000 Cantrell Sansom Rd	Arco National Construction	Q3 2017	712,842
4800 N Sylvania	Hunt Southwest	Q3 2017	657,043
3737 Meacham Blvd	Bob Moore Construction, Inc.	Q4 2017	600,000

Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Meacham Field/Fossil Creek	37,734,992	1,780,668	4.7%	183,382	70,826	1,257,043	$4.19
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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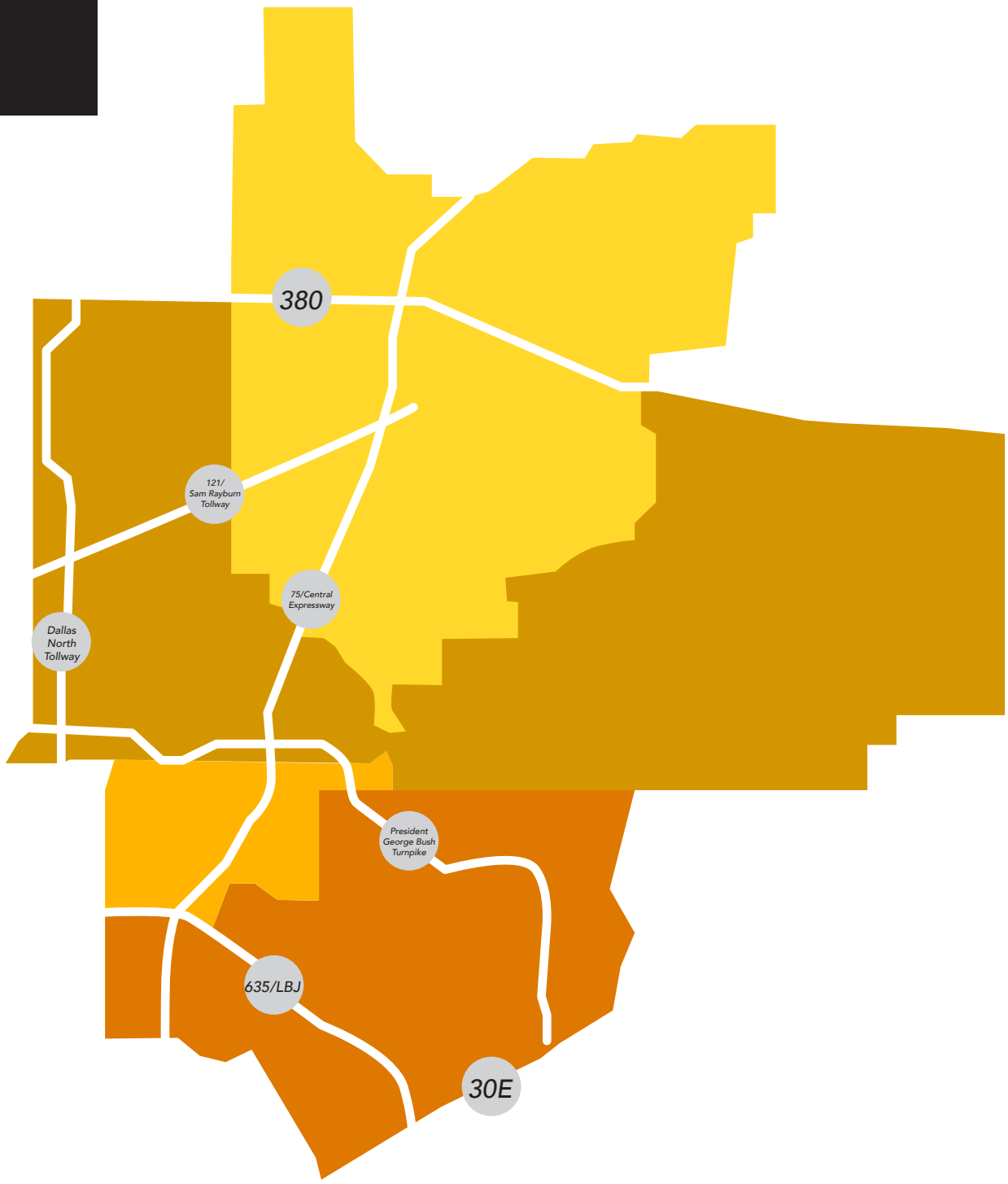
Northeast Dallas Industrial Market



Legend

- Allen/McKinney Ind
- Plano Ind
- Richardson Ind
- NE Dallas/Garland Ind

N

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Allen/McKinney Industrial

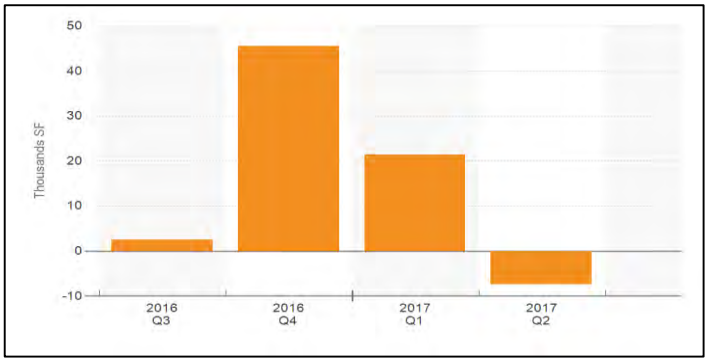
Q2 2017

The Allen/McKinney Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 1.6%. The vacancy rate increased 0.5% from the previous quarter of 1.1%, with a YTD net absorption of 13,927 SF at the end of Q2 2017.

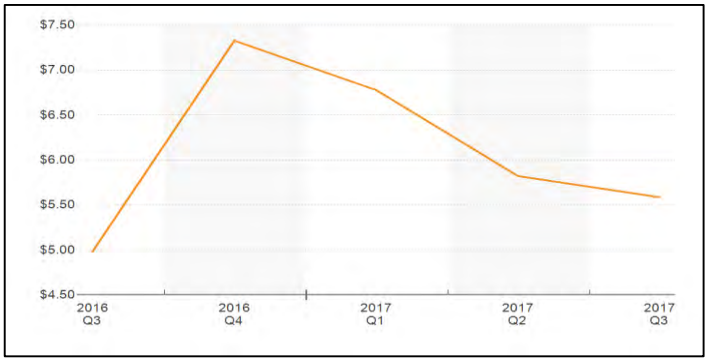
Rental rates ended the second quarter at $5.86/SF, decreasing from $6.80/SF in the previous quarter. Q2 ended with 40,000 SF of new construction deliveries and 90,000 SF currently under construction.

Black Stone Real Estate Income Trust acquired 64,000 SF at 1305 N Watters Rd. for $4,330,583.

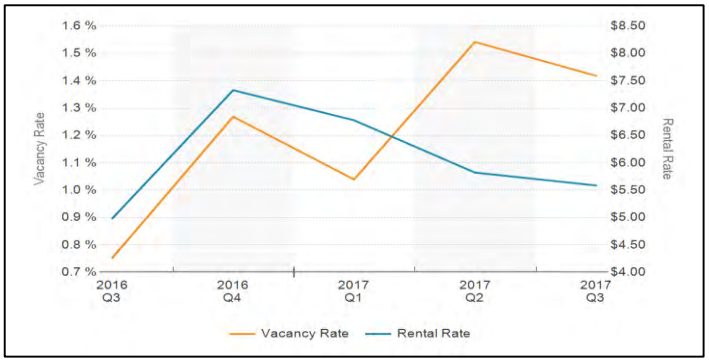
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
-	-	-	-
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1305 N Watters Rd (Portfolio sale)	Black Stone Real Estate Income Trust	$4,330,583	64,000
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
820 Allen Commerce Pkwy	Compass Datacenters	Q4 2017	90,000

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Allen/McKinney Industrial	9,351,084	151,570	1.6%	13,927	40,000	90,000	$5.86
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Plano Industrial

Q2 2017

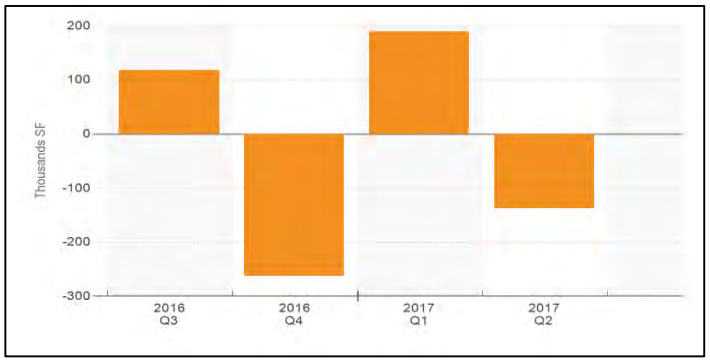
The Plano Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 5.9%. The vacancy rate increased 1.5% from the previous quarter of 4.4%. Q2 finished at 52,031 square feet net cumulative absorption.

Rental rates ended the second quarter at $5.93/SF, increasing from $5.87/SF in the previous quarter. There is 23,750 SF in YTD new construction deliveries and 162,000 SF of construction projects underway in the submarket.

Significant leases included Traxxas lease of 26,481 SF at 2621 Summit Ave. Peikang Zhu & Jianxin Shi purchased 21,000 SF at 2840 Guilder Dr. for an undisclosed price.

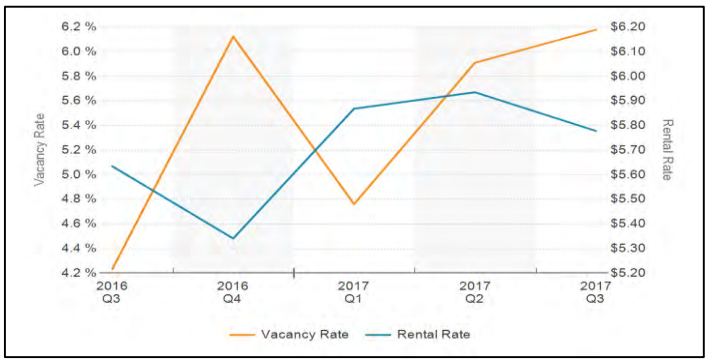
LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2621 Summit Ave	Traxxas	Industrial	26,481
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
2840 Guilder Dr.	Peikang Zhu & Jianxin Shi	Undisclosed	21,000
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
Dominion Parkway Stream Ready to Fit Data Center	Stream Data Centers	Q4 2017	145,000

Net Absorption



Asking Rent Per SF

Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Plano Industrial	14,028,941	824,981	5.9%	52,031	23,750	162,000	$5.93
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Industrial Submarket Report

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Richardson Industrial

Q2 2017

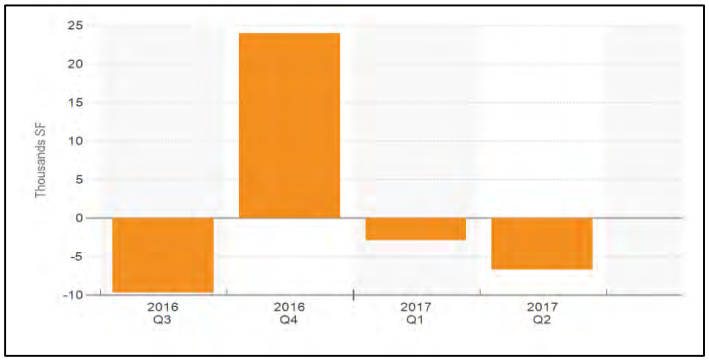
The Richardson Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 1.4% increasing from 1.3% in the previous quarter. The second quarter finished with negative 9,385 square feet net cumulative absorption.

Rental rates ended the second quarter at $5.70/SF, decreasing from $5.85/SF in the previous quarter. YTD new construction remained at 0 SF and there have been no construction projects in the submarket during the quarter

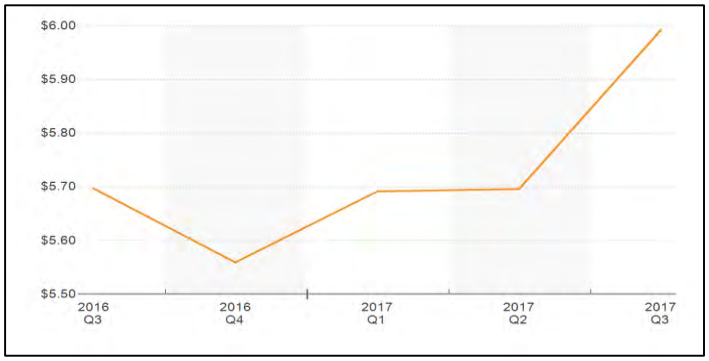
Significant leases included Dallas Rail's 11,379 SF lease at 501 Industrial Dr . Equinix, Inc. purchased 120,000 SF at 1232 Alma Rd. for an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
501 Industrial Dr	Dallas Rail	Industrial	11,379
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1232 Alma Rd	Equinix, Inc.	Undisclosed	120,000
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

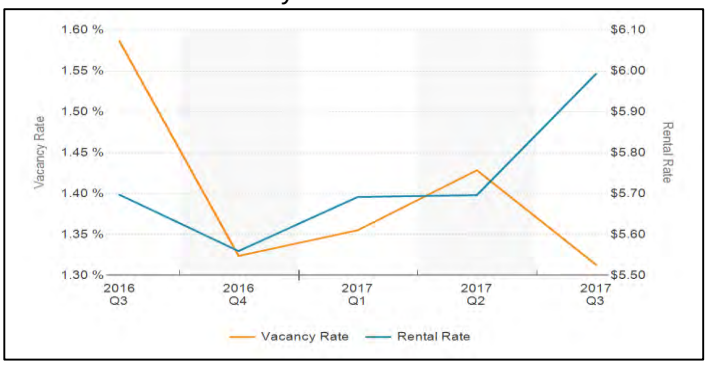
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Richardson Industrial	8,922,333	124,187	1.4%	-9,385	0	0	$5.70
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

NE Dallas/Garland Industrial

Q2 2017

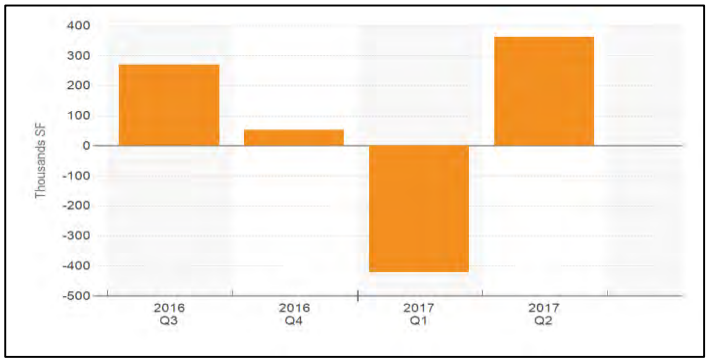
The NE Dallas/Garland Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 7.2%. The vacancy rate decreased 1.4% from the previous quarter of 8.6% with 723,987 square feet of net positive absorption over the quarter and finished at 267,096 square feet net cumulative absorption.

Rental rates ended the second quarter at $3.81/SF, increasing from $3.79/SF in the previous quarter. There were 0 SF in new construction deliveries and currently 818,016 SF of industrial space under construction.

Significant leases included Speed FC's 267,690 SF lease of 10300 Sanden Dr. Sanden Vendo America acquired 172,071 SF at 10710 Sanden Dr. and Rialto Capital Managment acquired 12019-12097 Corporate Dr. as part of a portfolio purchase.

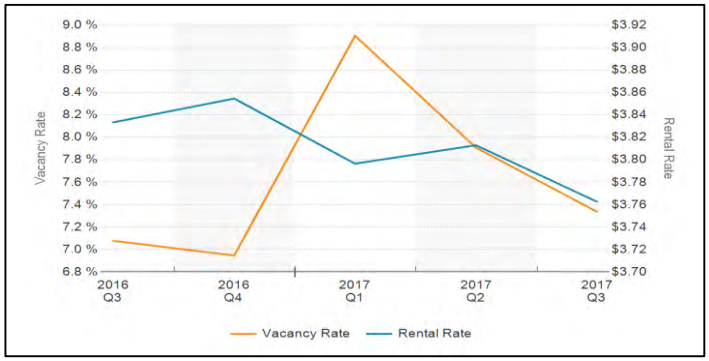
LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
10300 Sanden Dr.	Speed FC	Industrial	267,690
2600 McCree Rd	The Kraft Heinz Company	Industrial	260,959
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
10710 Sanden Dr.	Sanden Vendo America, Inc.	Undisclosed	172,071
12019-12097 Corporate Dr (Part of Portfolio)	Rialto Capital Management	Undisclosed	169,113
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
3800 Leon Rd.	IDI Gazeley	Q4 2017	494,000
DCT Miller Rd.	DCT Industrial Trust	Q3 2017	270,016

Net Absorption



Asking Rent Per SF

Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
NE Dallas/Garland Industrial	40,915,999	2,950,630	7.2%	267,096	407,350	818,016	$3.81
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Valwood/ Lewisville Industrial Market

Legend

- Lewisville Ind
- N Stemmons/Valwood Ind
- Metropolitan/Addison Ind

N

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MARKETBEAT
Industrial Submarket Report

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Lewisville Industrial

Q2 2017

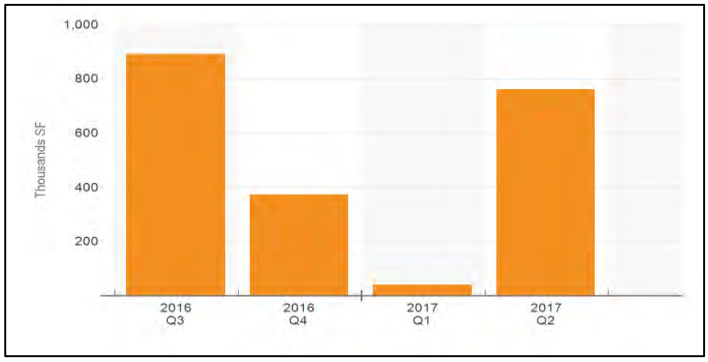
The Lewisville Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 6.5%. The vacancy rate decreased 2.9% from the previous quarter of 9.4% with 762,891 SF of net positive absorption to finish Q2 at 802,491 SF net cumulative absorption.

Rental rates ended the second quarter at $5.32/SF, decreasing from $5.40/SF in the previous quarter. There were 291,430 SF in YTD new construction deliveries and 350,081 SF in construction projects in the submarket.

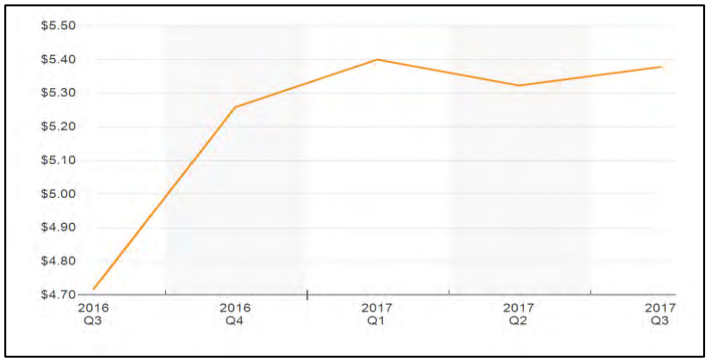
Significant leases included Mc2 leasing 78,847 SF of space at 301 Leora Ln and Renaissance Repair & Supply's 42,596 SF lease at 1200 Lakeside Pkwy. Additionally, Fluor Corporation acquired 1201 S Railroad St containing 26,400 SF of space for $1,000,000.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
301 Leora Ln	Mc2	Industrial	78,847
1200 Lakeside Pkwy	Renaissance Repair & Supply	Industrial	42,596
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1201 S Railroad St	Fluor Corporation	$1,000,000	26,400
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
Leora Ln- Buildings 3 and 4	EastGroup Properties, Inc.	Q1 & Q2 2018	157,500
301 Leora Lane- Buildings 1 and 2	EastGroup Properties, Inc.	Q3 2017	192,581

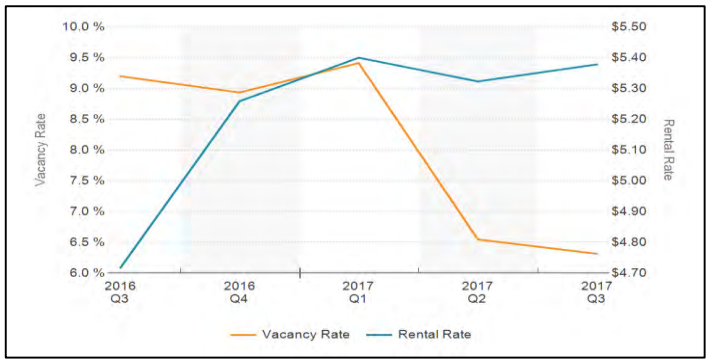
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Lewisville Industrial	22,489,294	1,472,511	6.5%	802,491	291,430	350,081	$5.32
Dallas/Fort Worth Total	731,318,582	46,423,850	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

N Stemmons/Valwood Industrial

Q2 2017

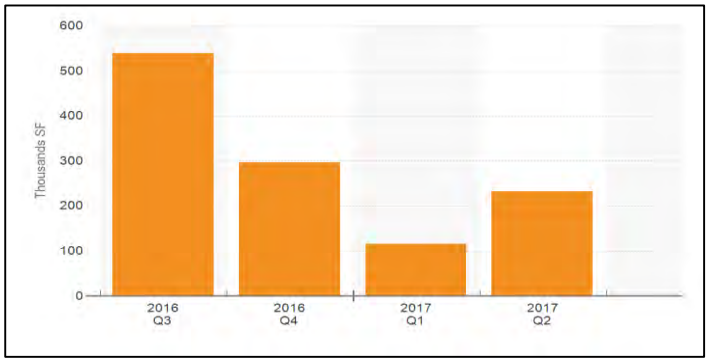
The N Stemmons/Valwood Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 3.9%. The vacancy rate decreased 0.5% from the previous quarter of 4.4% with 285,274 square feet of net positive absorption over the quarter to finish at 347,431 square feet net cumulative absorption.

Rental rates ended the second quarter at $4.56/SF, increasing from $4.45/SF in the previous quarter. There were 100,000 SF of new construction deliveries during the quarter and there are currently 936,792 SF in construction projects in the submarket.

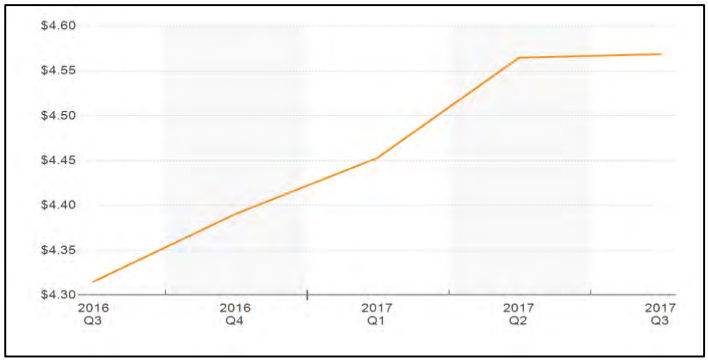
Significant leases included an undisclosed tenant's 50,735 SF lease at 2250 Morgan Pkwy by CFA Cabinetry and McKillican International's 47,500 SF lease at 1536 Hutton Dr. Sales included Rialto Capital Management acquiring 1020 Hayden Dr for an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2250 Morgan Pkwy	CFA Cabinetry	Industrial	50,735
1536 Hutton Dr	McKillican International, Inc.	Industrial	47,500
1624 W Crosby Rd	Transitions Group, Inc.	Industrial	38,282
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1020 Hayden Dr	Rialto Capital Management	Undisclosed	356,855
2115 W Valley View Ln (Part of Multi-Property Sale)	Rialto Capital Management	Undisclosed	264,170
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
Mercer Business Park	Billingsley Co	Q3 2017	330,100
1613 Hutton	Raymond Construction	Q3 2017	285,788
1310 Electronics Dr.	Prologis	Q3 2017	234,904

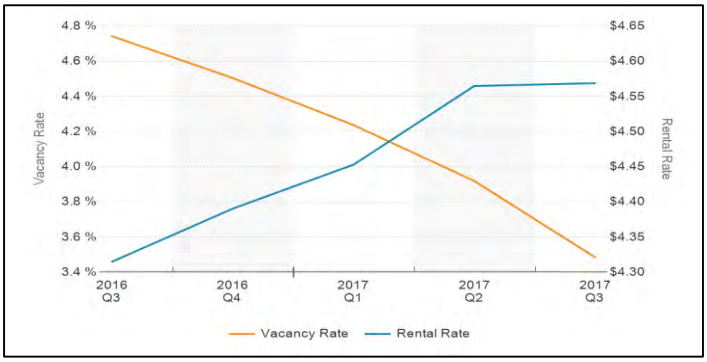
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
N Stemmons/Valwood Industrial	43,063,328	1,687,610	3.9%	347,431	100,000	936,792	$4.56
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Metropolitan/Addison Industrial

Q2 2017

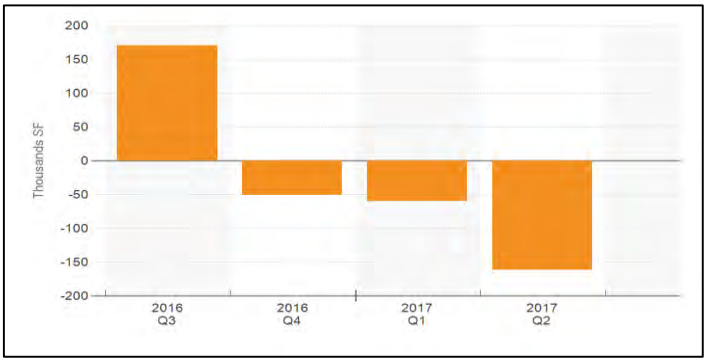
The Metropolitan/Addison Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 5.1%. The vacancy rate increased 1.2% from the previous quarter of 3.9% with 161,820 SF of net negative absorption over the quarter to finish at -221,034 SF net cumulative absorption.

Rental rates ended the second quarter at $5.32/SF, increasing from $5.50/SF in the previous quarter. YTD new construction deliveries remained at 0 SF. There is currently 0 SF of industrial space under construction.

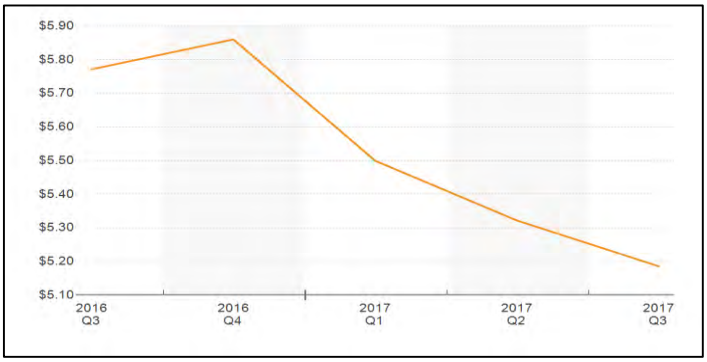
Significant leases included a 31,413 SF lease by In Your Face Apparel at 3200 Belmeade Dr and Sunfinity Solar that leased 20,462 SF at 3361 Boyington Dr. 85C Bakery Café purchased 74,436 SF at 14335 Gillis Rd at an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
3200 Belmeade Dr	In Your Face Apparel	Industrial	31,413
3361 Boyington Dr	Sunfinity Solar	Industrial	20,462
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
14335 Gillis Rd	85C Bakery Café	Undisclosed	74,436
13835 Welch Rd	Champions Management	Undisclosed	19,428
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

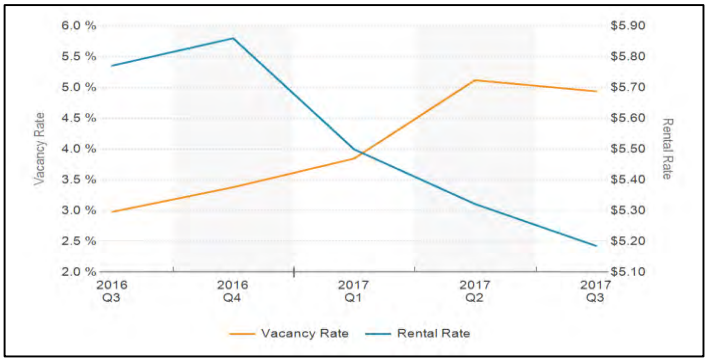
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Metropolitan/Addison	12,709,007	651,663	5.1%	-221,034	0	0	$5.32
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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South Dallas Industrial Market

Legend

- Redbird Airport Ind
- SW Dallas/US 67 Ind
- SE Dallas/I-45 Ind
- Outlying Ellis County Ind

N

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Redbird Airport Industrial

Q2 2017

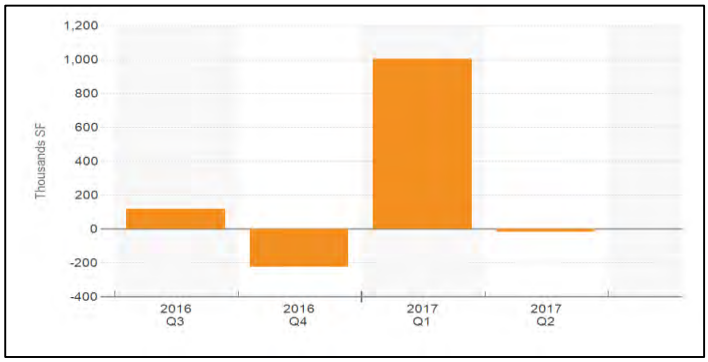
The Redbird Airport Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 2.4%. The vacancy rate decreased 0.1%% from the previous quarter of 2.5% with 28,876 square feet of net negative absorption over the quarter to finish Q2 at 988,729 square feet net cumulative absorption.

Rental rates ended the second quarter at $3.60/SF across all classes. There were 0 new construction deliveries and no new industrial space under construction.

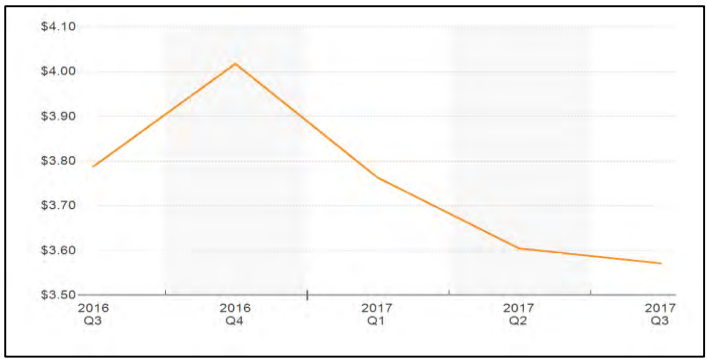
Sale transactions included LBA Realty's purchase of a building of 192,260 SF at 4895 Mountain Creek Pky for an undisclosed price. Rialto Capital Management purchased a building of 140,593 SF at 3700 Eagle Place Dr.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
-	-	-	-
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
4895 Mountain Creek Pky	LBA Realty	Undisclosed	192,260
3700 Eagle Place Dr.	Rialto Capital Management	Undisclosed	140,593
4030 Mint Way (Part of Portfolio)	Blackstone Real Estate Income Trust	$6,398,568	130,500
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

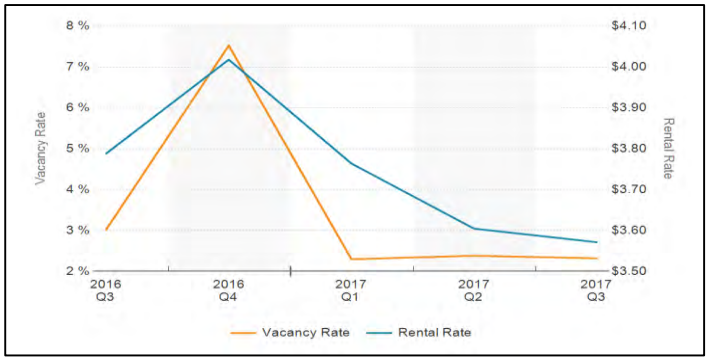
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Redbird Airport Industrial	19,239,875	458,505	2.4%	988,729	0	0	$3.60
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Southwest Dallas/US 67 Industrial — Q2 2017

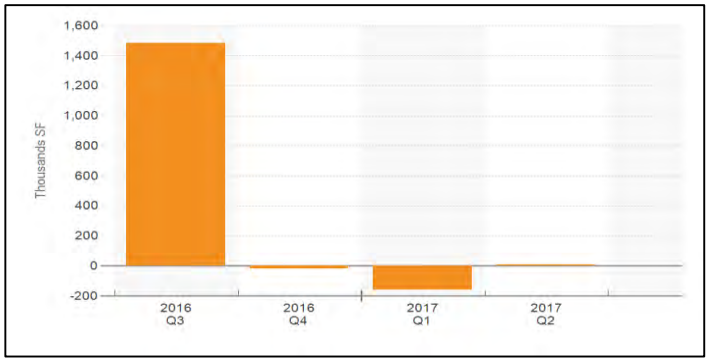
The Southwest Dallas/US 67 Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 11.4%. The vacancy rate remained flat over the quarter with a YTD net absorption of -147,692 SF net cumulative absorption.

Rental rates ended the second quarter at $3.47/SF, increasing from $3.44/SF in the previous quarter. There were 9,500 SF in construction deliveries. There is currently 995,880 SF of industrial space under construction.

Significant leases included Solar Turbines, Inc's 25,756 SF lease at 1707 Falcon Dr. Brennan Investments acquired 476,341 SF with the purchase of 1200 E Centre Park Blvd.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
1200 E Centre Park Blvd	DW Distribution, Inc.	Industrial	476,341
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
1200 E Centre Park Blvd	Brennan Investments	Undisclosed	476,341
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
Crossroads Trade Center Building 3	Hillwood Development Company, LLC	Q3 2017	948,380
202 W. Danieldale Rd.	Arco Murray	Q3 2017	47,500

Net Absorption



Gross Asking Rent Per SF

Vacancy Vs. Rental Rate

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Southwest Dallas/US 67 Industrial	26,406,580	3,020,328	11.4%	-147,692	9,500	995,880	$3.47
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Industrial Submarket Report

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Southeast Dallas I-45 Industrial

Q2 2017

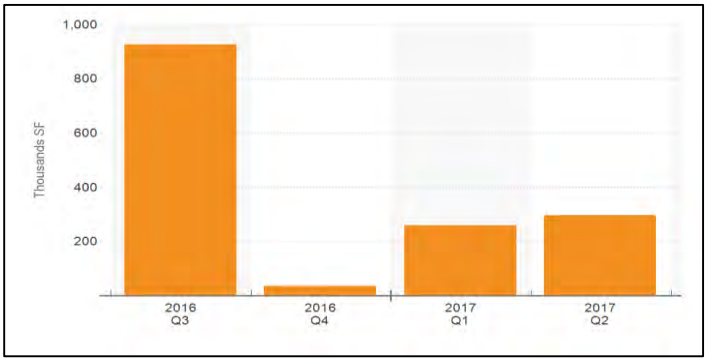
The Southeast Dallas I-45 Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 18.6%. The vacancy rate increased 2.6% from the previous quarter of 16.0% to finish the quarter at 557,423 SF of net cumulative absorption.

Rental rates ended the second quarter at $3.74/SF, decreasing from $12.15/SF in the previous quarter. There were 4,025,961 SF in new construction deliveries and is currently 5,136,315 SF of industrial space under construction.

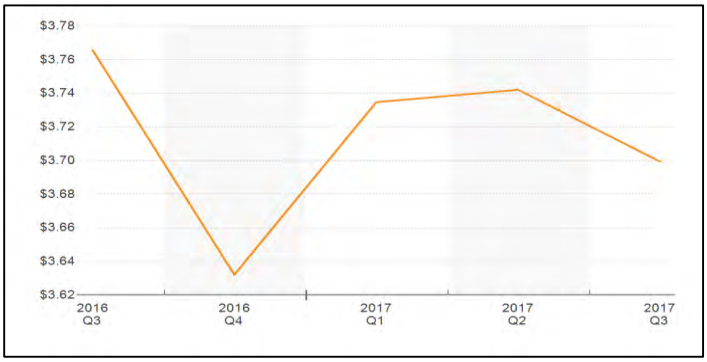
Significant leases included Genco in the lease of 488,780 SF at 4601 Langdon Rd. Pure Industrial Real Estate Trust purchased the DalPort Trade Center of 758,922 SF for $42,000,000.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
4601 Langdon Rd.	Genco	Industrial	488,780
4951 Langdon Rd.	Thermo Fisher Scientific Inc.	Industrial	147,750
2401 Southpointe Dr.	In-N-Out Burger	Industrial	130,000
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
DalPort Trade Center	Pure Industrial Real Estate Trust	$42,000,000	758,922
600 W Belt Line Rd	Davis Metal Stamping	$1,300,000	103,876
3001 W Wintergreen Rd.	Genuine Parts Company	$16,396,872	66,269
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
SouthLink I	Hines	Q1 2018	1,044,647
Cedardale Rd	Trammell Crow	Q1 2018	776,630
1200 W Wintergreen	CORE5	Q4 2017	754,897
2935 Danieldale Rd.	Holt Lunsford Commercial, Inc.	Q3 2017	660,312

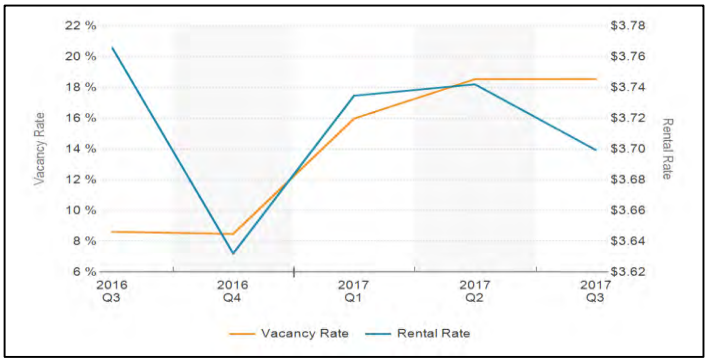
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Southeast Dallas/ I-45 Industrial	30,840,252	5,720,884	18.6%	557,423	4,025,961	5,136,315	$3.74
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

Outlying Ellis County Industrial

Q2 2017

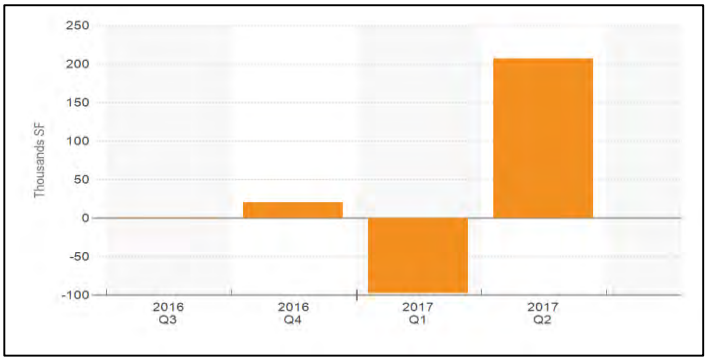
The Outlying Ellis County Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 2.4%. The vacancy rate increased 0.7% from the previous quarter of 1.7%. Q2 finished at 110,010 square feet net cumulative absorption.

Rental rates ended the second quarter at $4.05/SF, decreasing from $6.01/SF in the previous quarter. YTD new construction deliveries remained at 0 SF. There is currently 0 SF of industrial space under construction.

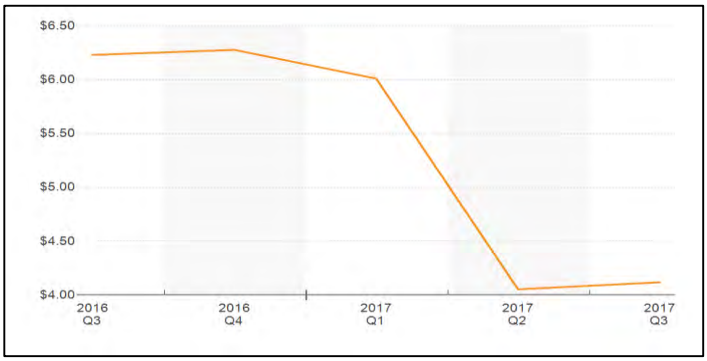
In the submarket, Nexus Group leased 7,500 SF at 3480 S Interstate Hwy 35E. Boom Boom LLC acquired 139,450 SF at 107 E Waco St. for an undisclosed amount.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
3480 S Interstate Hwy 35 E	Nexus Group	Industrial	7,500
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
107 E Waco St	Boom Boom LLC	Undisclosed	139,450
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

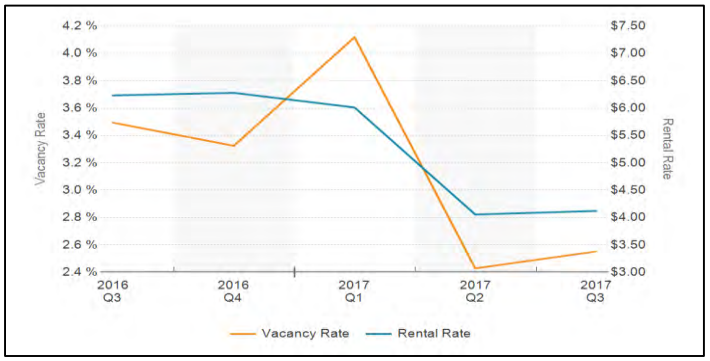
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Outlying Ellis County Industrial	12,212,432	297,942	2.4%	110,010	0	0	$4.05
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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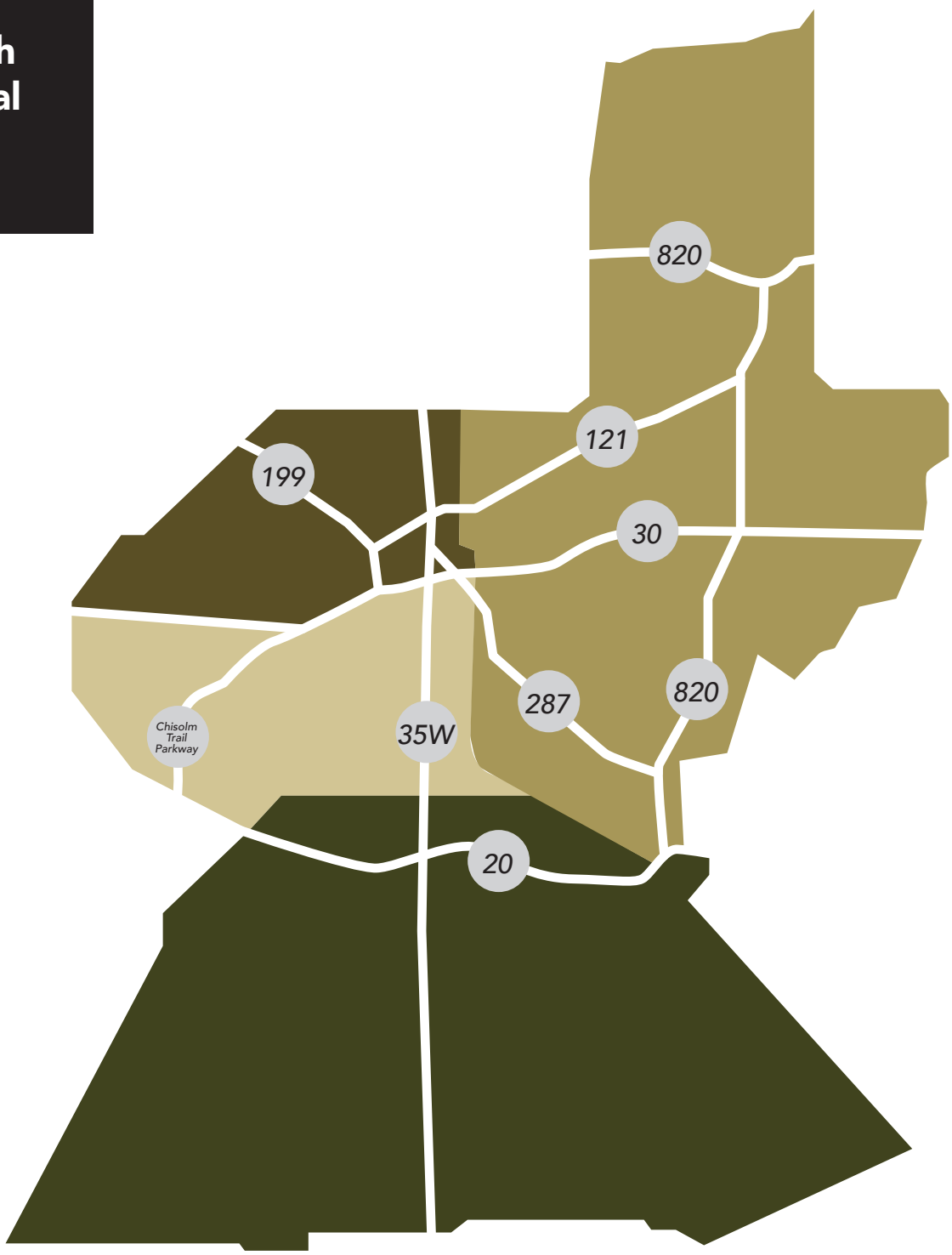
South Ft Worth Industrial Market



Legend

- East Ft Worth Ind
- N Central Ft Worth Ind
- S Central Ft Worth Ind
- S Central Tarrant Cnty Ind

N

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Industrial Submarket Report

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East Fort Worth Industrial

Q2 2017

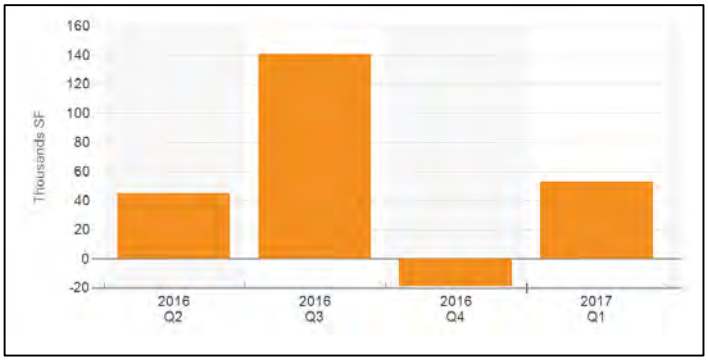
The East Fort Worth Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 5.8%. The vacancy rate decreased 0.3% from the previous quarter of 6.1% with 60,040 square feet of net positive absorption in the last quarter to finish Q2 at 113,226 square feet net cumulative absorption.

Rental rates ended the second quarter at $5.20/SF, decreasing from $5.22/SF in the previous quarter. There were 0 SF of deliveries in the quarter and currently 25,600 SF of industrial space under construction.

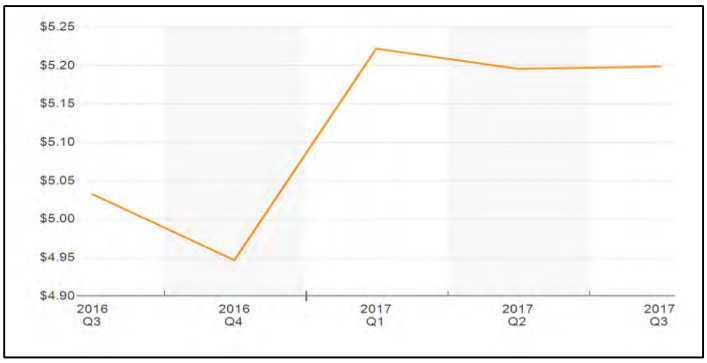
First Resurrection Church leased 18,000 SF at 3351 E Loop 820 S. Empire Texas Equities acquired a 23,375 SF property at 5216 David Strickland Rd. for an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
3351 E Loop 820 S	First Resurrection Church	Industrial	18,000
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
5216 David Strickland Rd.	Empire Texas Equities	Undisclosed	23,375
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
4294-4295 Sun Valley	Empire Texas Equities	Q4 2017	12,800

Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Eastern Fort Worth Industrial	20,524,745	1,189,565	5.8%	113,226	0	25,600	$5.20
Dallas/Fort Worth Total	731,318,528	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

WHITEBOX REAL ESTATE

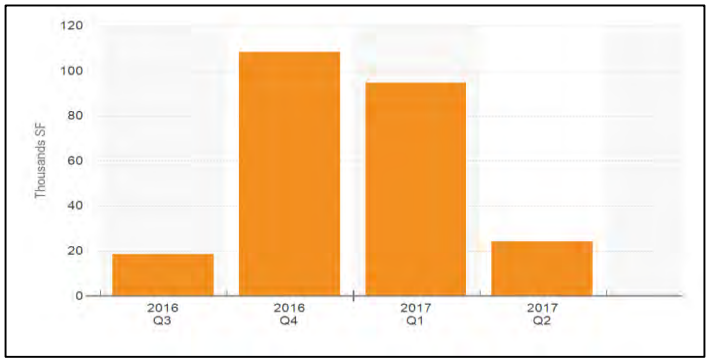
North Central Fort Worth Industrial — Q2 2017

The North Central Fort Worth Industrial Submarket ended the second quarter with a vacancy rate of 1.0%. The vacancy rate decreased 0.4% from the previous quarter of 1.4% with 24,560 SF of net positive absorption to finish the quarter at 189,811 SF net cumulative absorption.

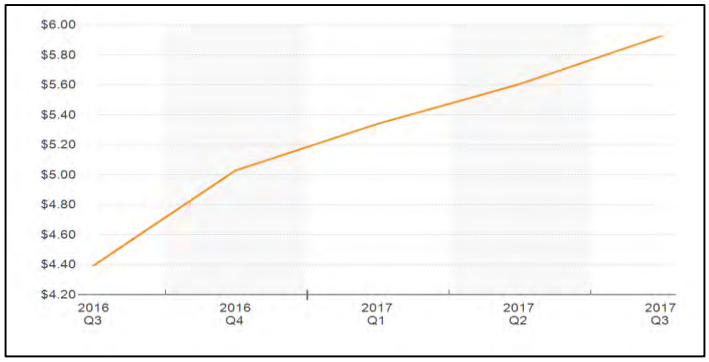
Rental rates ended the second quarter at $5.67/SF, increasing from $5.40/SF in the previous quarter. YTD new construction deliveries remained at 0 SF. There is currently 0 SF of industrial space under construction.

Tafb-distribution Center, Inc., purchased 75,000 SF at 2600-2610 Cullen St for an undisclosed price.

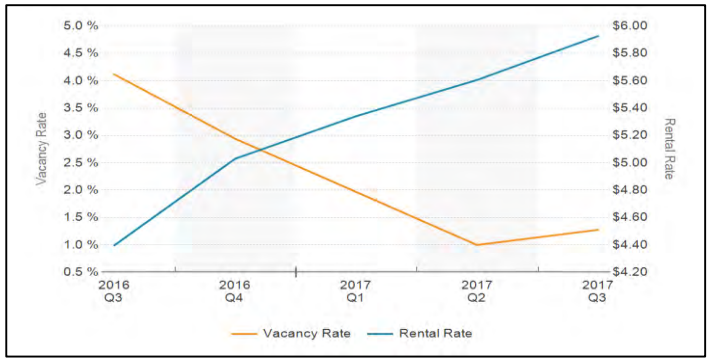
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
-	-	-	-
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
2600-2610 Cullen St	Tafb-distribution Center, Inc.	Undisclosed	75,000
1800 Northpark Dr	1800 Northpark LLC	Undisclosed	34,591
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
North Central Fort Worth Industrial	9,647,092	96,365	1.0%	189,811	0	0	$5.67
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

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South Central Fort Worth Industrial — Q2 2017

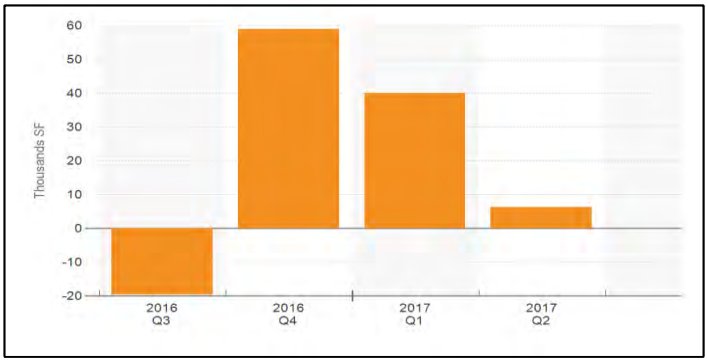
The South Central Fort Worth Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 2.9%. The vacancy rate remained flat from the previous quarter with 6,849 SF of positive absorption to finish the quarter at a YTD total of 46,472 SF net cumulative absorption.

Rental rates ended the second quarter at $4.61/SF, increasing from $4.23/SF in the previous quarter. YTD new construction deliveries remained at 0 SF. There is currently 0 SF of industrial space under construction.

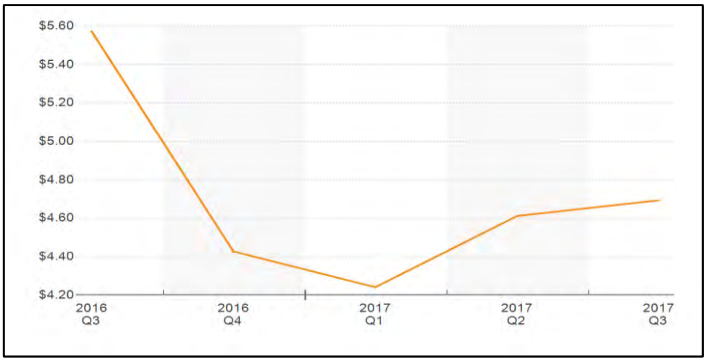
Significant sales included Buttaro LLC's purchase of 98,902 SF at 200 Luxton St. for a price of $620,690. Significant leases included KMA Investments 17,436 SF lease of 2001 Saint Louise Ave.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2001 Saint Louis Ave	KMA Investments, LLC	Industrial	17,436
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
200 Luxton St.	Buttaro LLC	$620,690	98,902
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate

	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
South Central Fort Worth Industrial	8,677,065	253,668	2.9%	46,472	0	0	$4.61
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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MARKETBEAT
Industrial Submarket Report

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South Central Tarrant County Industrial — Q2 2017

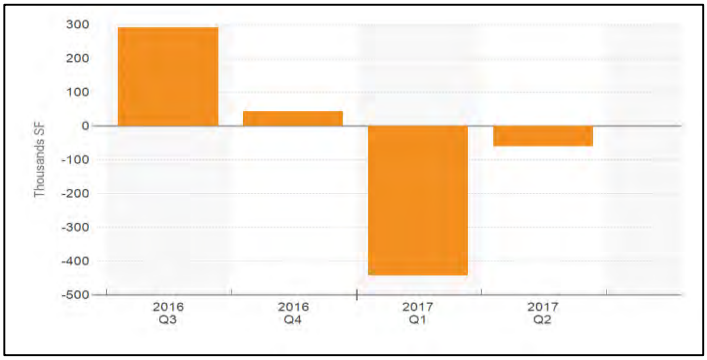
The South Central Tarrant County Industrial Submarket ended the second quarter of 2017 with a vacancy rate of 3.6%. The vacancy rate increased 0.5% from the previous quarter of 3.1%. Q2 finished the quarter at negative 502,448 square feet net cumulative absorption.

Rental rates ended the second quarter at $4.38/SF, decreasing from $3.48/SF in the previous quarter. There was 16,250 SF of construction deliveries and currently 500,538 SF of industrial space under construction.

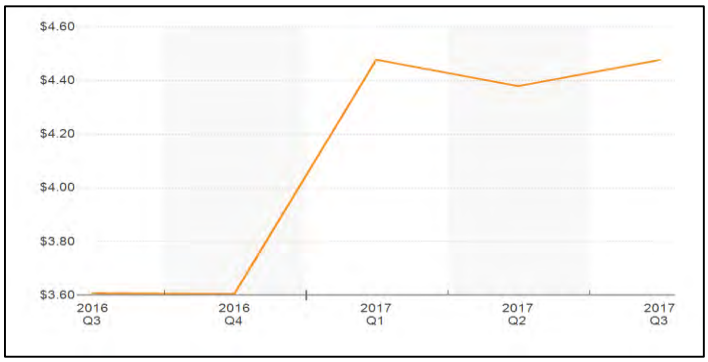
KMA Investments, LLC leased 17,436 SF at 2001 Saint Louis Ave. There were several significant sale transactions in Q2, including TCRG Opportunity XVII LLC purchase of 485,890 SF at 5000 South Fwy for an undisclosed amount . TJ Composites Inc acquired 208,911 SF of industrial space at 501 S Dick Price Rd.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
6601 Oak Grove Rd	Fed-Ex	Industrial	110,880
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
5000 South Fwy	Tcrg Opportunity Xvii LLC	Undisclosed	485,890
501 S Dick Price Rd (Part of multi-property sale)	Tj Composites Inc	Undisclosed	208,911
5703 Crawford Ln	Irish Tiger Investments, LLC	Undisclosed	74,210
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
6633 Oak Grove Rd	Crow Holdings Capital	Q4 2017	270,282
6657 Oak Grove Rd	Crow Holdings Capital	Q4 2017	218,282

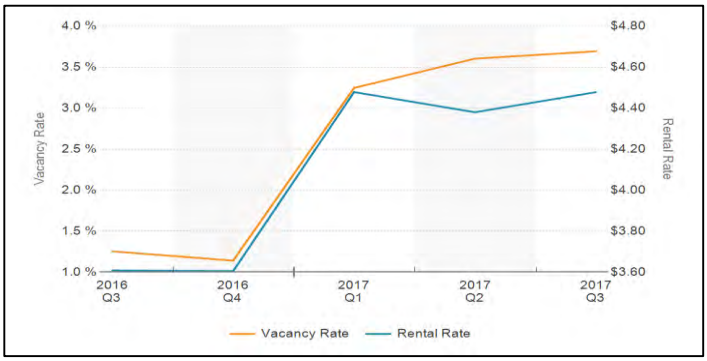
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
South Central Tarrant County	21,026,345	758,511	3.6%	-502,448	16,250	500,538	$4.38
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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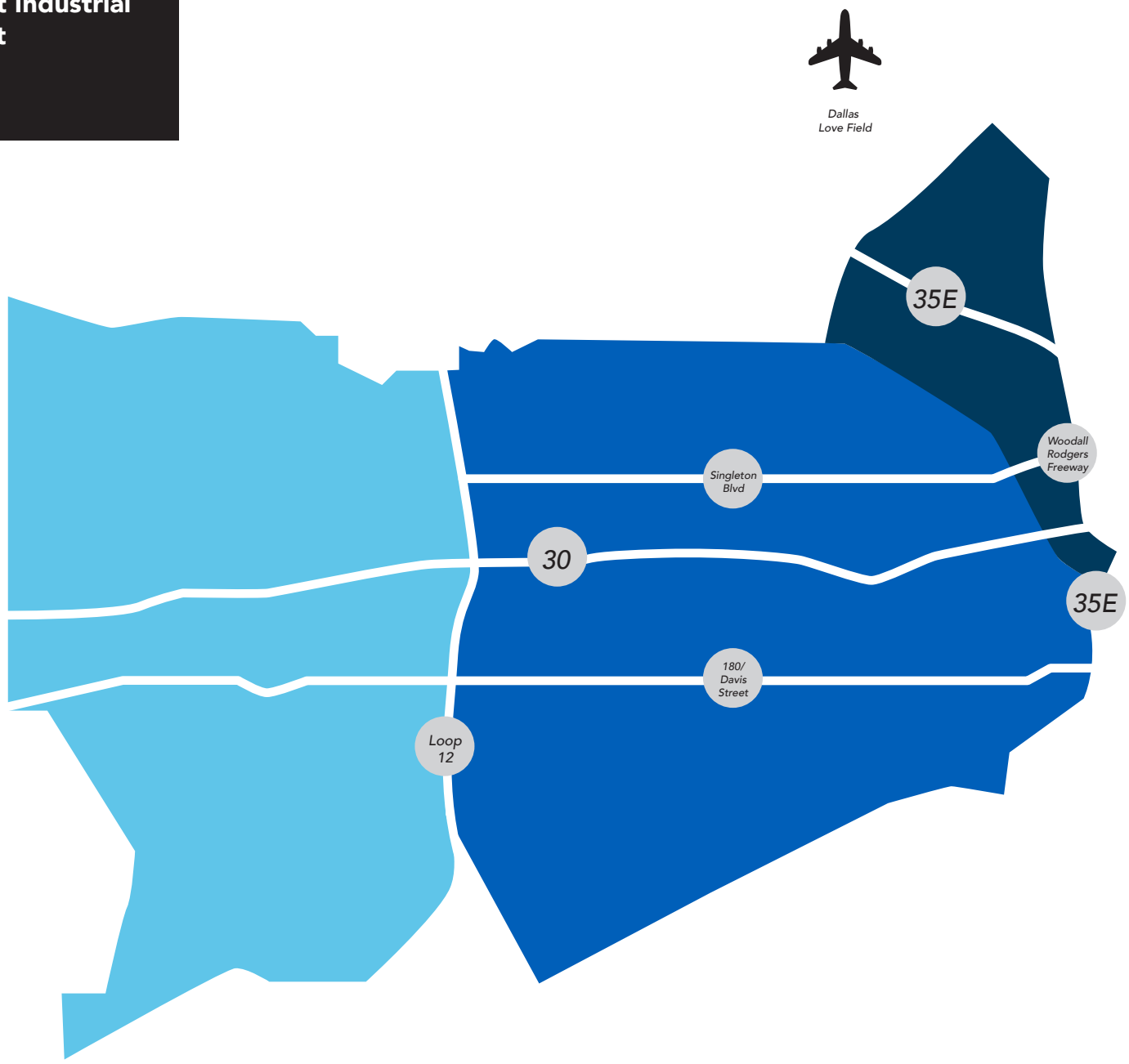
Pinnacle - Turnpike Lonestar - Design District Industrial Market



Legend

- Western Lonestar/Turnpike Ind
- Eastern Lonestar/Turnpike Ind
- North Trinity Ind

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Industrial Submarket Report

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Western Lonestar/Turnpike Industrial — Q2 2017

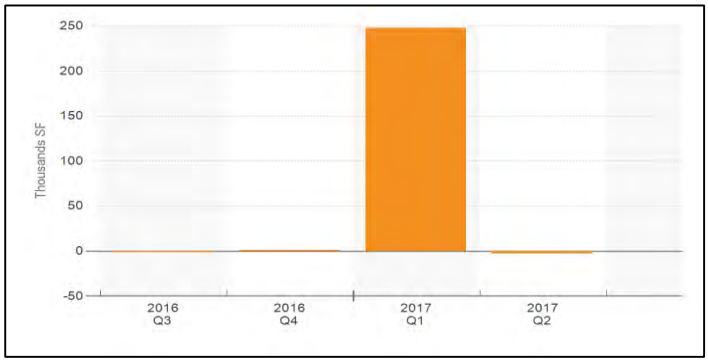
The Western Lonestar/Turnpike Industrial Submarket ended the second quarter with a vacancy rate of 43.8%. The vacancy increased over the previous quarter of 43.7% with 1,900 SF in net negative absorption over the quarter to finish Q2 at 32,600 square feet YTD net cumulative absorption.

Rental rates ended the second quarter at $5.64/SF, decreasing from $5.70/SF in the previous quarter. There were no new construction deliveries in the quarter. There are currently 792,240 SF of construction projects in the submarket.

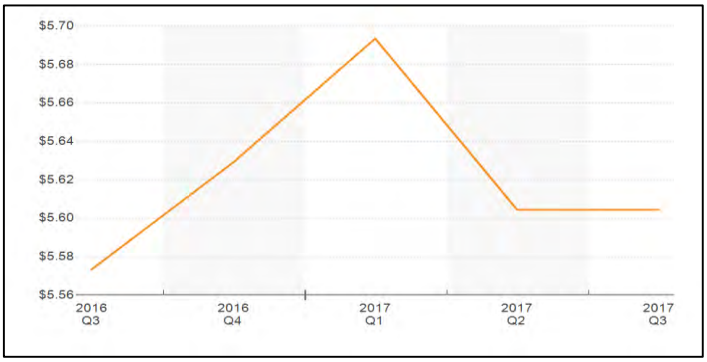
Winners Circle purchased a building of 6,000 SF at 905-909 W Hunter Ferrell Rd for an unknown purchase price as part of a portfolio.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
-	-	-	-
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
905-909 W Hunter Ferrell Rd. (Part of Portfolio Sale)	Winners Circle	Unknown	6,000
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
2615 Gifford St.	Trammell Crow	Q1 2018	322,215
4003 Grand Lakes Blvd	Duke Realty Corporation	Q1 2018	282,507
2535 Gifford St.	Trammell Crow	Q1 2018	187,518

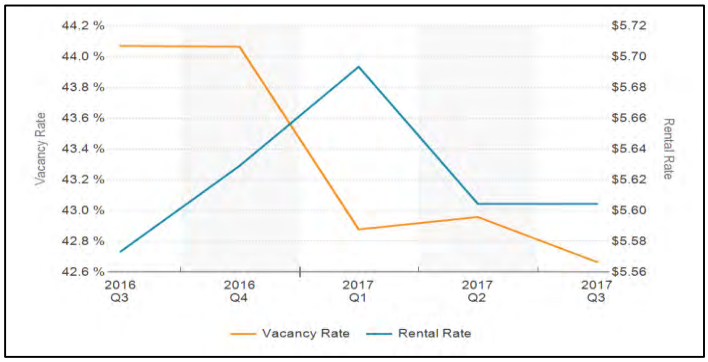
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Western Lonestar/Tpke Ind	10,554,943	4,623,271	43.8%	32,600	9,500	792,240	$5.64
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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Industrial Submarket Report

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Eastern Lonestar/Turnpike Industrial — Q2 2017

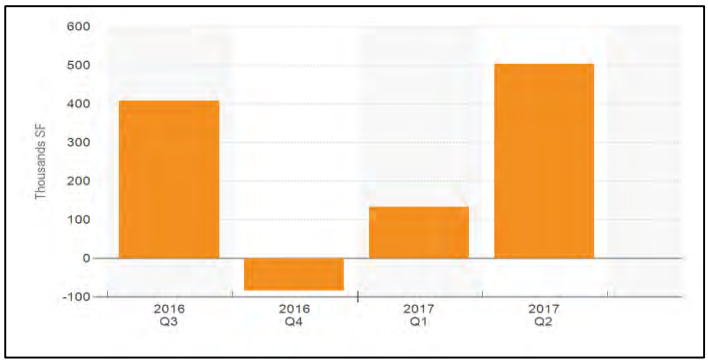
The Eastern Lonestar/Turnpike Industrial Submarket the second quarter with a vacancy rate of 3.6%. The vacancy rate decreased 2.0% from the previous quarter of 5.6% with 499,272 square feet of net positive absorption for the last quarter to finish Q2 at 635,430 square feet net cumulative absorption.

Rental rates ended the second quarter at $4.14/SF, increasing from $3.88/SF in the previous quarter. There was 518,241 SF in new construction deliveries and 0 SF in construction projects in the submarket.

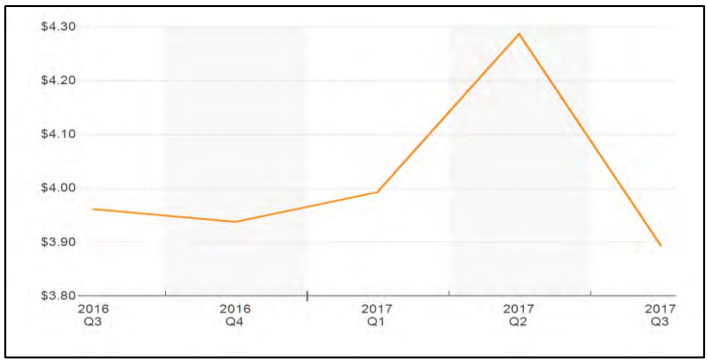
Significant leases included a 16,000 SF lease by Lonestar Parade float at 2716 N Westmoreland Rd. Dezine News Inc. acquired 3901 La Reuinion Pky. at 59,540 SF for an undisclosed price.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
2716 N Westmoreland Rd.	Lonestar Parade Float	Industrial	16,000
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
3901 La Reunion Pky	Dezine News Inc.	Undisclosed	59,540
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

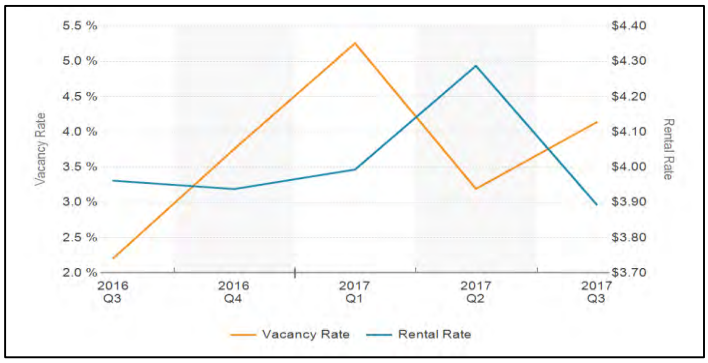
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
Eastern Lonestar/Turnpike Industrial	24,379,932	885,127	3.6%	635,430	518,241	0	$4.14
Dallas/Fort Worth Total	724,153,279	46,740,610	6.5%	3,743,246	6,871,559	19,651,720	$4.80

*Rental Rates reflect asking $psf/year

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North Trinity Industrial

Q2 2017

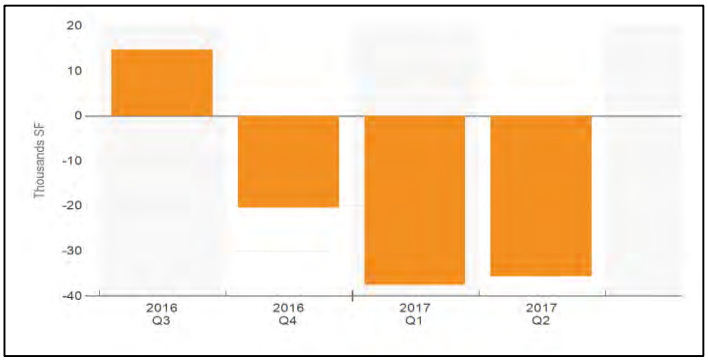
The North Trinity Industrial Submarket ended the second quarter 2017 with a vacancy rate of 5.0%. The vacancy rate increased 1.3% over the previous quarter of 3.7%. Q2 finished with negative 73,195 square feet net cumulative absorption.

Rental rates ended the second quarter at $7.86/SF, decreasing from $8.09/SF in the previous quarter. There were no new deliveries and currently no construction projects underway in the submarket.

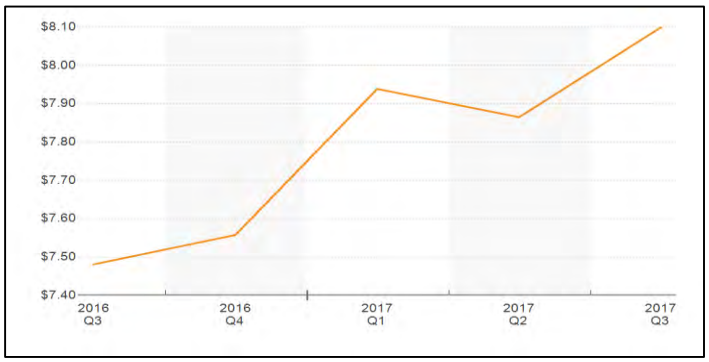
Several significant sales transactions occurred in Q2. Prologis acquired 95,838 SF at Stemmons Circle (Part of Multi-Property Sale) for $5,100,000. Premier Transportation Services LLC. purchased 45,000 SF at 4525 Production Dr. for a purchase price of $3,140,625. For an undisclosed amount, Dunhill Partners, Inc. acquired 40,048 SF at Trinity Distribution and Kevin Miller purchased 31,365 SF at 1340 Manufacturing St. for an undisclosed amount.

LEASE TRANSACTIONS	TENANT	PROPERTY TYPE	SQUARE FEET
1110 Inwood Rd	Bearing Distributors, Inc.	Industrial	31,545
2461 Stemmons Fwy N	RIG Properties	Industrial	19,250
2119 Farrington St	Undisclosed	Industrial	13,880
SALE TRANSACTIONS	**BUYER**	**PURCHASE PRICE**	**SQUARE FEET**
Stemmons Circle(Part of Multi-Property Sale)	Prologis	$5,100,000	95,838
4525 Production Dr.	Premier Transportation Services LLC	$3,140,625	45,000
Trinity Distribution	Dunhill Partners, Inc.	Undisclosed	40,048
1340 Manufacturing St	Kevin Miller	Undisclosed	31,365
UNDER CONSTRUCTION	**DEVELOPER**	**COMPLETION DATE**	**SQUARE FEET**
-	-	-	-

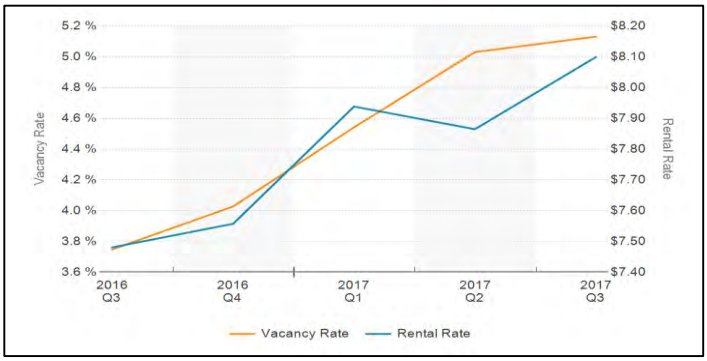
Net Absorption



Asking Rent Per SF



Vacancy Vs. Rental Rate



	Inventory	Total Vacancy SF	Vacancy Rate	YTD Net Absorption	YTD Deliveries	Under Construction	Rates All Classes
North Trinity Industrial	7,288,492	366,908	5.0%	-73,195	0	0	$7.86
Dallas/Fort Worth Total	731,318,582	47,942,493	6.6%	8,364,286	13,487,630	20,948,688	$4.54

*Rental Rates reflect asking $psf/year

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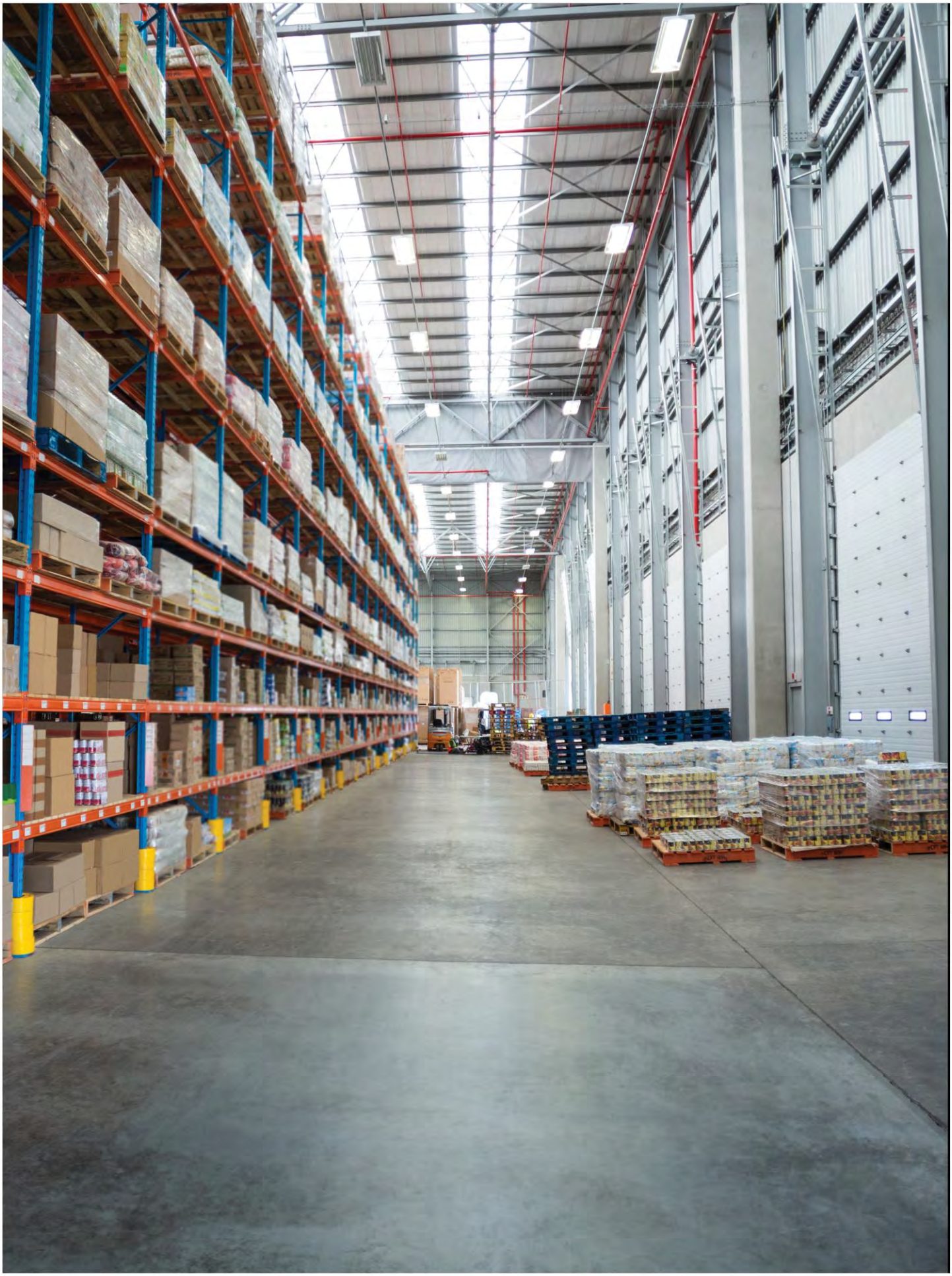

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