

Industrial Q3 2023

	YoY Chg	12-Mo. Forecast
4.7% Vacancy Rate	▲	▲
46.2M Net Absorption, SF	▼	▬
\$9.73 Asking Rent, PSF	▲	▲
12.3% Rent Growth	▼	▼
537.6M Under Construction	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS Q3 2023

	YoY Chg	12-Mo. Forecast*
156.3M Total Nonfarm Employment	▲	▼
42.9M Industrial Employment	▲	▼
3.8% U.S. Unemployment Rate	▲	▲

Source: BLS, *Cushman & Wakefield baseline

Industrial Fundamentals Soften Amid Record New Supply

Construction Deliveries Hit Record High: The third quarter of 2023 yielded the highest amount of new industrial construction delivered on record at 171.8 million square feet (msf). This was an 18.7% increase over the 144.7 msf delivered in Q2 and was 16.2 msf above the previous high observed one year ago. There have now been 451.8 msf of new facilities built since the start of the year, placing the market on pace to easily surpass last year's all-time high of 514.5 msf. Seven markets have delivered more than 20 msf year-to-date (YTD), including Dallas (44.7 msf), Houston (26.8 msf), and Atlanta (24.9 msf). Furthermore, speculative new developments have continued to dominate the construction landscape, accounting for 82.2% of the square footage built thus far in 2023.

Vacancy Continues to Normalize: The record new supply coming online coupled with moderating demand and occupiers right sizing their footprints have led to another rise in vacancy for the U.S. industrial market. At 4.7%, the overall vacancy rate climbed 70 basis points (bps) quarter-over-quarter (QOQ) —up 120 bps since the start of the year. The rate, however, still sits 210 bps below the 15-year average of 6.8%. While many markets have recorded upticks in vacancy over the last few quarters, 40 of the 83 markets are boasting rates at 4% or lower.

Some key markets in the South and West are continuing to experience tight conditions despite slowing demand for space; Fort Myers/Naples, Miami, Los Angeles and Orange County are all at or below the 2% mark. Vacant sublease space rose once again on a QOQ basis by 9.3%; the quarterly rise, however, was well below the previous two quarters where subleases swelled more than 27%. This could point to a potential plateau of new vacant sublets coming online over the next few quarters. The sublet vacancy rate remained flat QOQ at 0.4% of total inventory and remained below levels registered during previous downturns.

Demand Also Normalizing: Although absorption totals continued to moderate each of the last four quarters, net growth is still occurring. The 46.2 msf of overall net absorption registered in the third quarter was 12.7% lower than what was registered during the previous quarter and pushed the YTD total to 174.1 msf. This puts the market on pace to eclipse 210 msf by the close of 2023, which is in line with Cushman & Wakefield's forecast.

Of the 83 markets tracked by Cushman & Wakefield, 63% recorded positive absorption during the third quarter, led by Dallas/Fort Worth, Savannah, Charlotte and Houston, all of which exceeded 4 msf of net occupancy gains. Conversely,

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



just seven markets posted negative absorption of 1 msf or greater, led by Northern and Central New Jersey and the Inland Empire. Occupiers in some of these markets have placed large blocks of space onto the market both on a direct and sublet basis. Overall, demand for industrial space across the U.S. has clearly downshifted in 2023—partly due to the fact that the goods boom that occurred during the pandemic is winding down, and partly because businesses are anticipating slower economic conditions ahead.

Construction Starts Falling Notably: Amid the robust volume of new deliveries, the national under-construction pipeline shrunk by 96.7 msf (-15.3%) to 537.6 msf. This is the smallest pipeline since the second quarter 2021 when the pipeline was 480.1 msf. The South region leads the nation with 250 msf of product under development, representing 46.5% of the U.S. total.

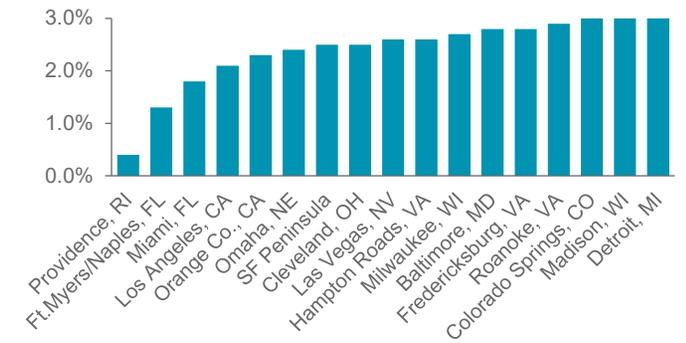
The pullback by developers to break ground on new speculative product is ongoing as the number of new construction starts declined by 16.2% QOQ and have fallen 61.4% year-over-year (YOY). Currently, there are 16 markets with more than 10 msf of industrial product underway, four of which have over 30 msf in the works (Dallas, Inland Empire, Phoenix, Savannah). Phoenix and Savannah are the only two markets in which build-to-suit (BTS) volume exceeds 10 msf with both markets featuring some large manufacturing BTS sites, which helps propel the totals. Lastly, new construction starts are anticipated to slip further as financing new speculative projects remains difficult amid softer market fundamentals and the higher interest rate environment. This will likely create supply constraints in some markets in the future.

Rent Growth Continues to Cool Off: The overall industrial average asking rental rate inched higher to \$9.73 per square foot (psf), up just 0.9% from the second quarter. Three of the four regions posted modest gains QOQ, but the West region recorded a 0.6% decrease in the average rent. Amid cooling demand, YOY rent growth slowed for the fourth straight quarter to 12.3% in Q3 2023. The Northeast region saw a 16.6% rise YOY while the South region posted an 11.1% increase during that time. Many landlords are keeping rents steady, but some have begun to lower rates in existing sub-Class A facilities. Meanwhile, the additional new speculative supply, priced well above the market average, has continued to exert upward pressure on the average rental rates in markets where healthy delivery totals have occurred.

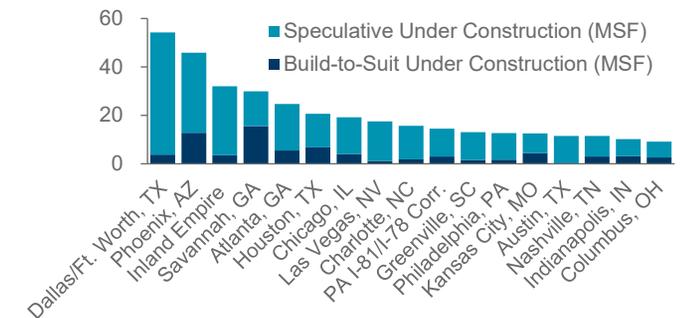
Outlook

- The current wave of supply will be delivered over the next 18 months and will continue to push vacancy higher as speculative development accounts for over 80% of the total. As a result, overall vacancy is expected to rise above 5% in 2024. While this rate will seem high compared to the record-low vacancies exhibited in early 2022 (2.8%), it will sit well below the 15-year average of 6.8%. However, once this supply delivers and the pipeline shrinks to levels seen during the pre-pandemic expansion cycle, some markets will quickly emerge as supply-constrained, and rent growth could very well reaccelerate.
- Cooling leasing activity amid the current economic environment will temper net absorption for the remainder of 2023 and into 2024. That said, the strong appetite for new Class A logistics facilities (particularly last mile) is expected to continue.
- Asking rent growth will continue to moderate. By year-end, growth will slow to around 10% and, in 2024, rent growth should reach the mid-single digits. The wave of supply, however, will likely be largely absorbed by the end of 2025 which sets the stage for rent growth to reaccelerate (albeit at more modest levels).

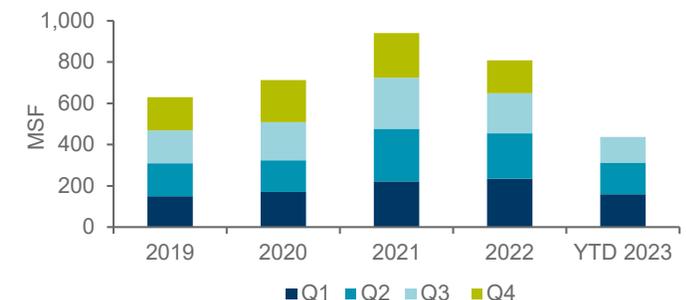
INDUSTRIAL VACANCY, SELECT MARKETS



SPEC VS. BTS CONSTRUCTION, SELECT MARKETS



NEW LEASING ACTIVITY



U.S. Industrial Markets	Net Absorption					Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p	
United States	127,396,054	117,203,736	74,984,930	52,950,238	46,206,329	124,998,157	
Northeast	14,757,832	9,785,440	8,832,545	1,624,433	68,597	13,617,188	
Midwest	23,607,050	29,062,315	17,514,491	12,244,675	8,758,614	21,501,549	
South	64,833,832	58,695,578	36,272,700	32,724,387	34,134,341	56,551,914	
West	24,197,340	19,660,403	12,365,194	6,356,743	3,244,777	33,327,506	

U.S. Industrial Markets	Net Absorption				Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p
Atlanta, GA	4,432,738	8,363,560	4,615,455	-471,847	2,600,533	4,399,948
Austin, TX	1,794,270	634,361	1,074,488	764,058	1,139,169	2,104,242
Baltimore, MD	1,123,944	1,883,479	350,850	1,534,567	1,249,730	400,316
Binghamton, NY	29,718	n/a	62,125	-23,800	n/a	n/a
Birmingham, AL	443,911	86,342	66,617	69,184	299,614	504,806
Boise, ID	150,759	321,100	642,681	221,972	936,961	382,403
Boston, MA	-673,881	1,478,094	549,203	460,947	760,103	1,101,062
Buffalo, NY	582,302	-611,344	-523,209	-246,385	79,790	304,688
Central Valley, CA	3,440,596	-207,662	1,049,783	983,836	-243,608	2,324,581
Charleston, SC	1,553,802	940,245	-9,724	1,704,216	1,839,056	1,501,465
Charlotte, NC	4,361,912	1,939,593	458,815	1,583,825	4,120,264	1,618,954
Chicago, IL	4,747,421	7,679,501	3,284,485	3,279,366	3,899,406	5,083,192
Cincinnati, OH	1,277,749	2,710,187	742,421	191,869	-970,446	1,047,088
Cleveland, OH	614,835	650,241	219,078	2,329,613	-1,324,624	1,985,549
Colorado Springs, CO	-129,667	96,414	84,742	60,228	-14,473	785,503
Columbia, SC	1,356,306	-21,827	120,372	885,891	323,497	234,067
Columbus, OH	1,127,262	970,666	1,425,544	2,869,218	1,640,604	2,248,449
Dallas/Ft. Worth, TX	9,644,515	10,975,953	5,898,558	6,585,178	6,956,711	10,516,130
Denver, CO	1,854,290	965,506	677,947	1,281,655	599,057	1,467,573
Detroit, MI	887,092	2,590,859	1,808,327	-632,517	-121,452	1,797,577
El Paso, TX	244,505	104,804	984,850	-307,723	-486,761	1,188,218
Fort Myers/Naples, FL	797,226	190,608	224,247	1,080,714	-32,617	245,571
Fredericksburg, VA	721,125	653	40,220	1,086,324	86,313	27,433
Ft. Lauderdale, FL	521,127	687,576	313,431	7,860	254,292	701,787
Greensboro/Winston-Salem, NC	583,237	2,904,058	454,545	28,370	-623,757	1,164,358
Greenville, SC	2,498,553	3,784,962	1,657,778	-32,792	-1,492,926	859,165
Hampton Roads, VA	684,186	610,659	54,330	149,045	252,715	412,669
Hartford, CT	965,083	952,715	76,104	366,298	-271,461	251,572
Houston, TX	7,205,127	6,245,369	7,659,146	4,699,382	4,010,974	9,229,968
Indianapolis, IN	4,936,581	5,090,478	4,380,143	1,948,757	2,143,001	1,656,218
Inland Empire CA	3,044,246	4,716,609	1,797,781	1,251,956	-1,811,811	6,626,188
Jacksonville, FL	1,843,332	628,495	75,329	1,190,922	1,026,563	3,700,859
Kansas City, MO	2,683,464	3,002,440	1,628,565	2,250,627	1,387,176	2,698,655
Lakeland, FL	709,181	710,957	-103,065	548,615	33,140	312,376
Las Vegas, NV	917,063	1,867,237	2,586,873	3,449,443	361,500	1,544,585
Long Island, NY	-303,834	174,320	-233,289	88,846	-221,992	847,427
Los Angeles, CA	1,554,532	-777,676	-2,150,489	-3,719,634	-976,925	5,571,681
Louisville, KY	772,048	2,156,490	2,050,019	1,321,030	1,040,611	1,284,970
Madison, WI	699,846	336,649	1,115,551	102,178	600,140	1,024,625
Memphis, TN	4,079,304	2,293,879	2,149,532	977,076	346,357	2,002,093
Miami, FL	921,537	1,017,129	1,131,968	415,871	-340,483	1,725,252
Milwaukee, WI	1,669,681	736,217	181,597	292,435	765,498	583,353

U.S. Industrial Markets	Net Absorption				Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p
Minneapolis, MN	2,872,509	1,937,499	1,614,923	394,710	948,343	2,531,266
Nashville, TN	3,252,754	2,451,946	1,227,144	701,408	2,992,858	1,567,456
New Haven, CT	390,081	82,400	212,406	15,575	-132,216	19,600
New Jersey - Central	-195,009	1,626,485	2,564,804	-583,660	-1,684,930	3,126,828
New Jersey - Northern	348,547	869,522	-505,940	-1,692,628	-2,357,591	2,245,448
Northern VA	373,298	176,797	-106,005	547,055	154,105	357,997
NY Outer Boroughs	152,576	1,481,905	-42,737	-133,314	-175,572	306,927
Oakland/East Bay, CA	1,451,979	780,715	690,065	-631,334	-1,474,183	1,539,320
Omaha, NE	1,062,453	197,421	1,286,101	101,573	180,807	376,820
Orange County, CA	709,279	697,710	578,602	-477,977	-413,191	1,550,006
Orlando, FL	385,461	1,557,626	892,993	568,617	883,621	1,114,127
Palm Beach County, FL	346,702	63,612	-83,540	143,752	66,123	241,790
PA I-81/I-78 Distribution Corridor	9,334,681	1,946,826	3,027,688	4,709,317	1,289,454	2,881,904
Philadelphia, PA	4,046,340	887,813	2,147,530	-1,429,677	2,723,500	1,785,480
Phoenix, AZ	4,525,245	3,999,843	4,445,773	2,933,427	3,847,763	3,948,228
Pittsburgh, PA	328,484	644,424	445,218	612,028	188,214	453,402
Portland, OR	2,954,409	1,038,034	-521,351	744,307	-1,495,498	1,213,000
Providence, RI	54,505	249,458	87,542	68,481	182,198	182,198
Puget Sound - Eastside	6,643	111,580	256,938	-351,195	2,980,157	217,734
Raleigh/Durham, NC	1,141,723	774,552	10,400	162,475	-2,527	1,356,731
Reno, NV	1,606,681	253,909	1,322,615	317,227	879,782	492,901
Richmond, VA	2,869,060	1,828,833	1,174,676	473,747	73,364	721,941
Roanoke, VA	335,455	379,467	-339,288	-17,860	146,924	22,010
Rochester, NY	240,290	-204,541	353,522	-338,301	-177,328	12,717
Sacramento, CA	-585,805	817,507	519,774	112,021	61,276	548,585
Salt Lake City, UT	2,213,810	2,051,443	718,865	1,227,939	1,299,262	1,351,185
San Antonio, TX	1,853,813	162,616	811,931	-159,738	51,996	1,001,305
San Diego, CA	260,471	848,531	-204,999	-271,440	-674,101	524,499
San Francisco North Bay, CA	-145,909	-47,623	-203,028	19,098	-36,896	231,559
San Francisco Peninsula, CA	95,680	26,017	180,870	-13,516	-95,377	162,103
San Jose (Silicon Valley), CA	5,340	-9,789	348,287	84,769	-276,569	505,969
Savannah, GA	7,538,835	2,609,130	2,159,187	4,409,878	6,607,110	4,643,464
Seattle, WA	232,252	1,520,018	-832,629	-521,988	-469,013	2,016,431
Southern New Hampshire	-214,873	83,130	250,032	65,556	91,448	34,026
St. Louis, MO	1,028,157	3,160,157	-172,244	-883,154	-389,839	468,757
St. Petersburg/Clearwater, FL	-14,817	-22,340	219,822	-111,268	129,108	414,939
Suburban MD	83,364	406,179	170,255	-40,837	162,484	213,584
Syracuse, NY	-327,178	124,233	361,546	-314,850	-225,020	63,909
Tampa, FL	463,887	2,119,069	1,373,092	1,331,670	258,337	675,438
Tucson, AZ	35,446	590,980	376,094	-344,051	260,664	323,472
Tulsa, OK	-87,589	50,746	-505,728	895,722	7,843	86,485

U.S. Industrial Markets	Overall				
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p
United States	3.0%	3.1%	3.5%	4.0%	4.7%
Northeast	3.1%	3.3%	3.5%	4.1%	4.8%
Midwest	3.1%	3.2%	3.5%	3.8%	4.3%
South	3.4%	3.5%	4.0%	4.6%	5.3%
West	2.4%	2.5%	2.8%	3.4%	4.1%

U.S. Industrial Markets	Overall				
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p
Atlanta, GA	2.9%	3.1%	3.7%	4.6%	5.5%
Austin, TX	2.8%	4.3%	5.9%	8.2%	8.2%
Baltimore, MD	3.0%	2.9%	3.5%	3.2%	2.8%
Binghamton, NY	3.5%	3.5%	3.0%	3.1%	3.1%
Birmingham, AL	7.8%	7.3%	10.5%	11.3%	11.2%
Boise, ID	1.2%	2.9%	2.6%	4.9%	5.5%
Boston, MA	5.8%	5.7%	6.1%	6.2%	6.9%
Buffalo, NY	4.5%	4.9%	5.4%	5.6%	5.6%
Central Valley, CA	4.2%	4.6%	4.6%	5.6%	5.9%
Charleston, SC	1.2%	1.1%	1.6%	3.3%	3.9%
Charlotte, NC	2.0%	2.0%	2.1%	2.3%	3.5%
Chicago, IL	3.5%	3.5%	3.7%	3.9%	4.4%
Cincinnati, OH	1.7%	1.7%	2.4%	3.4%	4.6%
Cleveland, OH	3.0%	3.0%	3.0%	2.4%	2.5%
Colorado Springs, CO	5.0%	4.9%	4.6%	4.3%	3.0%
Columbia, SC	4.0%	3.9%	4.5%	4.7%	4.9%
Columbus, OH	3.6%	3.7%	4.8%	5.3%	6.4%
Dallas/Ft. Worth, TX	4.5%	4.8%	5.8%	6.7%	7.1%
Denver, CO	6.4%	6.6%	6.6%	6.8%	7.0%
Detroit, MI	2.9%	2.5%	2.3%	2.8%	3.0%
El Paso, TX	2.8%	2.7%	3.9%	5.2%	7.5%
Fort Myers/Naples, FL	0.7%	0.5%	0.7%	0.7%	1.3%
Fredericksburg, VA	2.2%	2.0%	1.7%	2.3%	2.8%
Ft. Lauderdale, FL	3.7%	3.8%	3.4%	3.4%	3.1%
Greensboro/Winston-Salem, NC	2.4%	2.4%	2.4%	2.7%	3.1%
Greenville, SC	2.2%	2.4%	3.9%	5.0%	7.4%
Hampton Roads, VA	1.6%	1.3%	2.0%	2.3%	2.6%
Hartford, CT	4.2%	4.0%	3.9%	3.6%	3.9%
Houston, TX	5.4%	5.2%	5.3%	5.8%	6.8%
Indianapolis, IN	3.9%	5.2%	6.4%	7.6%	8.8%
Inland Empire CA	0.7%	0.9%	1.8%	3.3%	4.3%
Jacksonville, FL	2.5%	1.9%	2.8%	3.0%	5.6%
Kansas City, MO	4.4%	4.6%	4.4%	4.7%	5.2%
Lakeland, FL	4.3%	3.8%	4.6%	4.8%	5.9%
Las Vegas, NV	1.4%	2.0%	2.8%	2.4%	2.6%
Long Island, NY	2.9%	2.8%	3.1%	3.3%	3.6%
Los Angeles, CA	1.0%	1.2%	1.5%	2.0%	2.1%
Louisville, KY	2.2%	3.9%	3.0%	2.7%	3.3%
Madison, WI	1.6%	1.5%	2.0%	2.4%	3.0%
Memphis, TN	4.7%	4.5%	5.9%	6.7%	7.2%
Miami, FL	1.4%	1.6%	1.3%	1.3%	1.8%
Milwaukee, WI	2.1%	2.3%	2.5%	2.5%	2.7%

U.S. Industrial Markets	Overall				
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p
Minneapolis, MN	3.0%	3.0%	3.1%	3.1%	3.7%
Nashville, TN	2.9%	3.1%	3.6%	3.8%	3.8%
New Haven, CT	3.8%	3.6%	3.2%	3.1%	3.4%
New Jersey - Central	2.6%	2.9%	2.9%	3.5%	4.8%
New Jersey - Northern	2.4%	2.4%	3.0%	4.1%	5.2%
Northern VA	3.8%	4.0%	4.2%	3.8%	4.0%
NY Outer Boroughs	3.6%	4.1%	4.1%	4.2%	4.4%
Oakland/East Bay, CA	3.1%	3.1%	2.7%	3.5%	4.1%
Omaha, NE	2.3%	2.2%	2.7%	2.6%	2.4%
Orange County, CA	1.2%	1.1%	1.5%	2.0%	2.3%
Orlando, FL	3.6%	2.8%	2.7%	3.0%	5.1%
Palm Beach County, FL	2.2%	2.5%	3.0%	3.9%	4.1%
PA I-81/I-78 Distribution Corridor	1.5%	2.7%	2.8%	4.4%	4.5%
Philadelphia, PA	2.4%	2.3%	3.3%	4.9%	6.2%
Phoenix, AZ	4.3%	4.4%	4.4%	4.6%	7.4%
Pittsburgh, PA	5.0%	4.9%	4.7%	4.5%	5.0%
Portland, OR	2.6%	2.1%	2.4%	2.5%	3.3%
Providence, RI	0.1%	0.0%	0.1%	0.6%	0.4%
Puget Sound - Eastside	2.3%	2.2%	2.7%	3.2%	3.8%
Raleigh/Durham, NC	4.6%	5.4%	6.8%	6.8%	7.5%
Reno, NV	1.4%	1.8%	2.2%	2.9%	3.4%
Richmond, VA	1.8%	2.8%	2.0%	2.0%	3.3%
Roanoke, VA	3.1%	3.1%	3.2%	3.1%	2.9%
Rochester, NY	4.2%	4.5%	4.1%	3.5%	4.7%
Sacramento, CA	3.0%	3.6%	3.7%	3.8%	4.1%
Salt Lake City, UT	2.8%	2.6%	2.9%	3.9%	4.1%
San Antonio, TX	3.9%	4.2%	6.8%	7.3%	8.1%
San Diego, CA	2.4%	2.4%	2.7%	2.9%	3.7%
San Francisco North Bay, CA	5.1%	5.2%	5.8%	6.0%	6.3%
San Francisco Peninsula, CA	2.7%	2.7%	2.2%	2.3%	2.5%
San Jose (Silicon Valley), CA	3.3%	3.3%	2.9%	2.8%	3.1%
Savannah, GA	0.9%	0.7%	0.2%	3.6%	4.6%
Seattle, WA	3.3%	3.0%	3.8%	4.4%	5.2%
Southern New Hampshire	4.2%	4.2%	3.7%	3.6%	4.6%
St. Louis, MO	2.1%	2.8%	3.1%	3.6%	3.9%
St. Petersburg/Clearwater, FL	3.6%	3.7%	3.3%	3.6%	3.3%
Suburban MD	4.6%	4.4%	5.1%	5.1%	5.3%
Syracuse, NY	3.2%	2.9%	2.2%	2.8%	3.3%
Tampa, FL	5.7%	5.6%	5.6%	4.7%	5.1%
Tucson, AZ	3.1%	2.5%	2.1%	2.7%	3.5%
Tulsa, OK	3.7%	3.9%	3.4%	3.6%	3.8%

Overall (All Classes)							W/D	MFG
U.S. Industrial Markets	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p	Q3 2023p	Q3 2023p
United States	\$8.66	\$8.92	\$9.20	\$9.65	\$9.73	\$9.24	\$9.31	
Northeast	\$11.49	\$11.73	\$12.44	\$13.16	\$13.40	\$14.04	\$8.92	
Midwest	\$6.11	\$6.32	\$6.34	\$6.52	\$6.59	\$6.25	\$6.50	
South	\$7.05	\$7.30	\$7.54	\$7.79	\$7.83	\$7.36	\$6.36	
West	\$13.12	\$13.36	\$13.90	\$14.33	\$14.24	\$13.73	\$15.41	

Overall (All Classes)						W/D	MFG
U.S. Industrial Markets	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p	Q3 2023p
Atlanta, GA	\$7.06	\$7.29	\$7.25	\$7.24	\$7.11	\$6.70	\$7.64
Austin, TX	\$14.16	\$13.99	\$13.98	\$14.03	\$13.54	\$11.73	\$0.00
Baltimore, MD	\$8.11	\$8.62	\$8.47	\$8.51	\$8.72	\$7.65	\$0.00
Binghamton, NY	\$4.70	\$4.70	\$4.70	\$4.33	\$4.33	\$4.00	\$4.50
Birmingham, AL	\$5.50	\$5.62	\$6.04	\$6.43	\$6.47	\$6.38	\$0.00
Boise, ID	\$11.32	\$9.37	\$9.59	\$10.51	\$10.39	\$10.36	\$9.02
Boston, MA	\$11.53	\$11.33	\$12.22	\$14.98	\$15.52	\$15.36	\$15.25
Buffalo, NY	\$6.82	\$6.82	\$6.82	\$7.50	\$7.85	\$8.50	\$5.50
Central Valley, CA	\$7.71	\$7.66	\$8.46	\$8.64	\$8.63	\$8.62	\$8.69
Charleston, SC	\$12.35	\$11.27	\$9.24	\$8.09	\$8.53	\$8.03	\$9.75
Charlotte, NC	\$6.68	\$6.92	\$6.88	\$6.73	\$7.10	\$6.79	\$6.46
Chicago, IL	\$6.46	\$6.76	\$6.85	\$7.12	\$7.17	\$6.82	\$7.09
Cincinnati, OH	\$5.59	\$5.99	\$6.02	\$5.94	\$6.10	\$6.09	\$4.62
Cleveland, OH	\$5.00	\$5.59	\$5.27	\$5.75	\$5.79	\$5.54	\$0.00
Colorado Springs, CO	\$10.58	\$10.65	\$10.36	\$10.56	\$10.34	\$10.74	\$9.04
Columbia, SC	\$4.00	\$4.03	\$4.31	\$4.31	\$4.30	\$4.12	\$3.70
Columbus, OH	\$5.72	\$5.91	\$6.09	\$6.47	\$6.52	\$6.49	\$5.68
Dallas/Ft. Worth, TX	\$6.27	\$6.83	\$7.60	\$8.36	\$8.36	\$7.63	\$8.01
Denver, CO	\$11.12	\$9.50	\$9.65	\$10.04	\$9.76	\$8.53	\$10.27
Detroit, MI	\$7.28	\$7.40	\$7.33	\$7.38	\$7.45	\$7.06	\$6.78
El Paso, TX	\$7.00	\$7.25	\$7.25	\$7.25	\$7.25	\$7.50	\$8.50
Fort Myers/Naples, FL	\$10.17	\$10.29	\$10.72	\$12.94	\$13.75	\$13.67	\$13.77
Fredericksburg, VA	\$8.78	\$7.37	\$7.77	\$9.21	\$9.10	\$9.10	\$0.00
Ft. Lauderdale, FL	\$12.79	\$13.40	\$13.93	\$15.00	\$14.96	\$14.98	\$20.30
Greensboro/Winston-Salem, NC	\$5.18	\$5.20	\$5.24	\$5.55	\$5.60	\$5.49	\$4.27
Greenville, SC	\$4.82	\$4.90	\$5.31	\$5.56	\$5.86	\$5.86	\$5.52
Hampton Roads, VA	\$7.53	\$8.14	\$8.66	\$8.98	\$9.30	\$9.08	\$8.12
Hartford, CT	\$5.39	\$5.27	\$5.28	\$5.17	\$5.86	\$5.28	\$4.71
Houston, TX	\$7.06	\$6.98	\$7.09	\$7.24	\$7.58	\$7.32	\$7.83
Indianapolis, IN	\$5.18	\$5.55	\$5.82	\$5.90	\$6.16	\$5.93	\$8.42
Inland Empire CA	\$16.96	\$18.85	\$18.79	\$18.36	\$17.96	\$18.06	\$16.15
Jacksonville, FL	\$6.58	\$7.16	\$6.34	\$7.59	\$7.88	\$6.60	\$12.21
Kansas City, MO	\$5.25	\$5.53	\$5.59	\$5.97	\$6.01	\$5.12	\$6.92
Lakeland, FL	\$6.25	\$6.41	\$6.82	\$7.03	\$7.15	\$7.14	\$12.00
Las Vegas, NV	\$11.38	\$12.19	\$12.27	\$12.76	\$12.62	\$11.77	\$14.66
Long Island, NY	\$17.05	\$16.86	\$17.55	\$17.63	\$17.35	\$17.46	\$15.83
Los Angeles, CA	\$18.36	\$20.19	\$20.44	\$20.43	\$20.38	\$20.92	\$18.26
Louisville, KY	\$4.77	\$5.10	\$5.32	\$5.55	\$5.65	\$5.49	\$5.48
Madison, WI	\$6.13	\$5.98	\$6.32	\$6.04	\$6.14	\$6.26	\$5.78
Memphis, TN	\$4.16	\$4.16	\$4.16	\$4.25	\$4.20	\$4.08	\$4.07
Miami, FL	\$14.25	\$14.88	\$15.41	\$15.32	\$15.40	\$15.24	\$10.86
Milwaukee, WI	\$4.92	\$5.02	\$5.20	\$5.26	\$5.15	\$5.22	\$4.62

Overall (All Classes)						W/D	MFG
U.S. Industrial Markets	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p	Q3 2023p
Minneapolis, MN	\$7.47	\$7.53	\$7.55	\$7.72	\$7.73	\$7.01	\$6.90
Nashville, TN	\$6.54	\$7.27	\$7.63	\$7.45	\$7.79	\$7.85	\$4.28
New Haven, CT	\$6.57	\$6.62	\$5.97	\$6.82	\$7.16	\$5.98	\$7.75
New Jersey - Central	\$14.13	\$14.31	\$15.46	\$16.24	\$16.35	\$16.68	\$12.94
New Jersey - Northern	\$15.52	\$16.17	\$17.98	\$18.41	\$18.34	\$18.62	\$15.66
Northern VA	\$14.83	\$15.04	\$15.51	\$15.89	\$16.22	\$14.32	\$0.00
NY Outer Boroughs	\$24.10	\$25.65	\$25.93	\$25.99	\$26.02	\$26.10	\$20.76
Oakland/East Bay, CA	\$14.79	\$15.59	\$16.28	\$16.09	\$16.48	\$15.35	\$18.19
Omaha, NE	\$7.04	\$7.07	\$7.24	\$7.32	\$7.60	\$7.14	\$6.43
Orange County, CA	\$18.84	\$19.35	\$18.72	\$20.48	\$20.61	\$21.72	\$19.90
Orlando, FL	\$9.31	\$9.41	\$9.55	\$10.68	\$11.07	\$9.52	\$17.09
Palm Beach County, FL	\$14.33	\$14.09	\$14.02	\$14.66	\$14.98	\$15.11	\$10.49
PA I-81/I-78 Distribution Corridor	\$7.55	\$8.48	\$8.62	\$8.97	\$8.76	\$8.76	\$0.00
Philadelphia, PA	\$12.09	\$12.49	\$12.69	\$12.81	\$12.61	\$12.66	\$11.73
Phoenix, AZ	\$14.42	\$14.10	\$14.45	\$14.23	\$13.67	\$12.84	\$12.85
Pittsburgh, PA	\$7.14	\$7.04	\$7.18	\$7.86	\$7.82	\$7.92	\$5.03
Portland, OR	\$10.88	\$11.30	\$11.50	\$11.17	\$10.81	\$10.54	\$10.61
Providence, RI	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$7.50	\$0.00
Puget Sound - Eastside	\$17.34	\$16.78	\$16.26	\$16.03	\$15.38	\$12.77	\$15.58
Raleigh/Durham, NC	\$10.11	\$10.30	\$9.98	\$10.60	\$10.79	\$9.11	\$0.00
Reno, NV	\$9.00	\$9.48	\$11.64	\$11.40	\$11.64	\$10.92	\$10.68
Richmond, VA	\$6.64	\$6.64	\$7.40	\$7.44	\$7.60	\$7.46	\$7.70
Roanoke, VA	\$5.20	\$5.46	\$5.70	\$5.64	\$5.76	\$5.01	\$7.71
Rochester, NY	\$7.00	\$7.00	\$6.75	\$6.68	\$6.70	\$6.75	\$6.25
Sacramento, CA	\$8.13	\$8.71	\$9.09	\$9.23	\$9.64	\$9.77	\$9.05
Salt Lake City, UT	\$8.71	\$9.44	\$9.31	\$9.48	\$9.52	\$9.52	\$12.70
San Antonio, TX	\$7.65	\$8.11	\$7.93	\$8.17	\$8.40	\$7.37	\$0.00
San Diego, CA	\$16.45	\$17.19	\$16.91	\$17.23	\$17.26	\$15.84	\$15.97
San Francisco North Bay, CA	\$13.08	\$13.44	\$13.30	\$13.31	\$13.53	\$13.79	\$13.76
San Francisco Peninsula, CA	\$26.28	\$26.62	\$26.41	\$25.76	\$25.47	\$25.00	\$29.03
San Jose (Silicon Valley), CA	\$15.70	\$16.83	\$16.66	\$16.63	\$16.34	\$14.32	\$18.18
Savannah, GA	\$6.14	\$6.15	\$6.48	\$6.54	\$6.97	\$7.41	\$0.00
Seattle, WA	\$11.89	\$11.89	\$11.71	\$12.18	\$11.78	\$11.26	\$13.11
Southern New Hampshire	\$11.17	\$11.41	\$11.65	\$12.35	\$12.28	\$11.90	\$11.92
St. Louis, MO	\$6.54	\$6.42	\$6.10	\$5.63	\$5.45	\$5.29	\$4.27
St. Petersburg/Clearwater, FL	\$9.66	\$9.47	\$10.13	\$10.35	\$10.49	\$10.19	\$8.83
Suburban MD	\$15.56	\$15.30	\$17.49	\$16.72	\$16.40	\$14.87	\$0.00
Syracuse, NY	\$5.61	\$5.90	\$6.00	\$6.23	\$6.73	\$6.65	\$5.80
Tampa, FL	\$7.38	\$7.71	\$8.37	\$8.53	\$8.97	\$8.37	\$8.75
Tucson, AZ	\$8.98	\$9.48	\$9.33	\$9.44	\$9.48	\$8.73	\$10.00
Tulsa, OK	\$5.47	\$5.37	\$5.36	\$5.44	\$5.37	\$5.48	\$4.99

p = preliminary.

U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q3 2023p
United States	17,075,526,917	451,762,971	537,615,026
Northeast	2,352,807,003	48,464,093	52,042,471
Midwest	4,512,384,798	97,467,297	78,941,633
South	5,876,246,531	212,015,498	250,015,404
West	4,334,088,585	93,816,083	156,615,518

Overall			
U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q3 2023p
Atlanta, GA	748,757,992	24,882,401	24,729,339
Austin, TX	83,264,969	5,704,303	11,543,611
Baltimore, MD	230,073,841	2,963,215	1,285,176
Binghamton, NY	17,405,598	0	0
Birmingham, AL	17,350,972	648,883	0
Boise, ID	52,195,542	3,250,797	3,722,157
Boston, MA	162,078,856	3,913,675	4,726,575
Buffalo, NY	116,137,768	55,000	80,000
Central Valley, CA	166,627,745	4,689,781	5,451,366
Charleston, SC	90,295,787	6,046,288	9,054,414
Charlotte, NC	297,485,762	11,048,408	15,723,442
Chicago, IL	1,230,096,109	21,751,168	19,240,295
Cincinnati, OH	321,497,015	9,431,687	3,201,714
Cleveland, OH	524,428,098	3,740,907	2,674,139
Colorado Springs, CO	39,995,654	37,750	385,655
Columbia, SC	102,469,155	2,229,861	905,860
Columbus, OH	316,385,042	14,846,722	9,207,816
Dallas/Ft. Worth, TX	950,508,490	44,717,516	54,307,029
Denver, CO	265,093,192	4,102,969	9,008,603
Detroit, MI	498,478,667	3,866,097	4,647,195
El Paso, TX	69,302,034	4,618,135	3,661,210
Fort Myers/Naples, FL	47,018,448	1,429,333	1,737,585
Fredericksburg, VA	17,692,269	1,327,235	882,955
Ft. Lauderdale, FL	91,567,751	0	1,311,265
Greensboro/Winston-Salem, NC	248,883,057	1,722,085	4,062,829
Greenville, SC	240,360,325	12,135,333	13,156,946
Hampton Roads, VA	111,271,867	918,800	3,823,636
Hartford, CT	92,546,637	205,625	700,300
Houston, TX	562,259,892	26,761,617	20,639,559
Indianapolis, IN	343,806,211	22,128,983	10,198,687
Inland Empire CA	609,460,992	21,657,738	32,016,364
Jacksonville, FL	110,743,376	6,496,904	2,382,332
Kansas City, MO	259,210,711	6,937,584	12,612,844
Lakeland, FL	70,320,602	2,066,619	2,202,240
Las Vegas, NV	151,355,750	7,343,595	17,504,735
Long Island, NY	133,596,635	703,169	1,861,769
Los Angeles, CA	882,902,358	1,386,646	9,149,237
Louisville, KY	197,840,191	3,310,733	4,625,167
Madison, WI	85,627,356	2,874,491	1,564,391
Memphis, TN	304,517,022	9,697,365	1,468,565
Miami, FL	170,234,353	1,540,821	6,377,123
Milwaukee, WI	213,055,601	1,994,996	1,982,097

Overall			
U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q3 2023p
Minneapolis, MN	349,443,848	5,631,740	6,723,751
Nashville, TN	247,428,654	6,923,362	11,528,375
New Haven, CT	47,502,439	0	90,000
New Jersey - Central	370,428,208	7,551,120	7,718,291
New Jersey - Northern	299,432,052	3,973,500	2,162,465
Northern VA	61,899,796	561,408	564,792
NY Outer Boroughs	138,169,638	83,127	3,469,358
Oakland/East Bay, CA	214,997,083	1,254,394	2,306,443
Omaha, NE	104,755,781	2,626,538	5,748,339
Orange County, CA	254,229,967	2,728,227	1,786,202
Orlando, FL	117,922,264	5,226,694	4,292,284
Palm Beach County, FL	41,088,846	838,946	1,938,442
PA I-81/I-78 Distribution Corridor	366,863,333	16,244,066	14,592,081
Philadelphia, PA	192,856,807	11,363,660	12,749,275
Phoenix, AZ	395,386,990	24,054,097	45,874,796
Pittsburgh, PA	162,365,567	1,666,131	2,293,602
Portland, OR	228,056,108	1,351,926	5,117,374
Providence, RI	78,390,305	663,000	0
Puget Sound - Eastside	65,671,668	4,024,221	1,172,788
Raleigh/Durham, NC	55,134,484	1,444,747	3,972,231
Reno, NV	111,618,564	3,291,335	2,283,184
Richmond, VA	109,563,602	2,095,097	4,646,529
Roanoke, VA	38,788,299	0	0
Rochester, NY	74,330,488	1,150,000	302,000
Sacramento, CA	113,135,320	1,356,783	3,036,813
Salt Lake City, UT	156,886,860	5,686,351	6,113,522
San Antonio, TX	84,705,524	4,335,026	5,434,758
San Diego, CA	160,364,842	877,257	3,369,857
San Francisco North Bay, CA	31,994,171	147,471	398,938
San Francisco Peninsula, CA	40,916,777	0	0
San Jose (Silicon Valley), CA	87,033,906	0	1,525,976
Savannah, GA	120,787,881	16,020,262	30,017,335
Seattle, WA	259,850,130	4,209,553	6,116,619
Southern New Hampshire	54,034,983	671,060	872,755
St. Louis, MO	265,600,359	1,636,384	1,140,365
St. Petersburg/Clearwater, FL	35,680,308	77,868	683,338
Suburban MD	49,960,366	845,482	971,777
Syracuse, NY	46,667,689	220,960	424,000
Tampa, FL	83,108,809	2,656,135	2,045,260
Tucson, AZ	46,314,966	2,365,192	274,889
Tulsa, OK	67,959,543	724,616	40,000

Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from a base building inventory made up of industrial properties deemed to be competitive in the local industrial markets. Generally, owner-occupied and federally-owned buildings are not included. Single tenant buildings and privately-owned buildings in which the federal government leases space are included. Older buildings unfit for occupancy or ones that require substantial renovation before tenancy are generally not included in the competitive inventory. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

Explanation of Terms

Total Inventory: The total amount of industrial space (in buildings of a predetermined size by market) that can be rented by a third party.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory.

Direct Vacancy Rate: The amount of unoccupied space available directly through the landlord, excludes sublease space.

Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

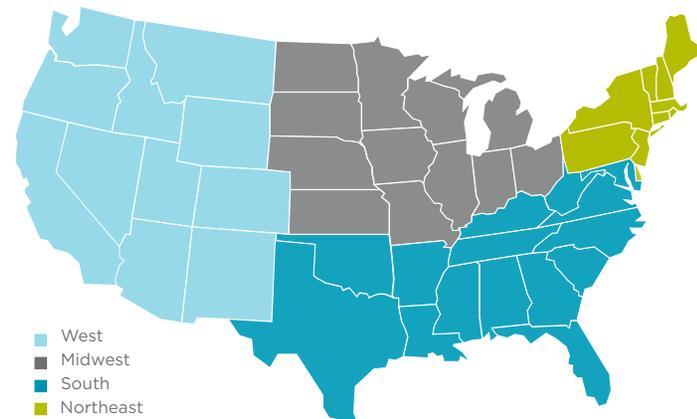
Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: NNN average asking rents weighted by the amount of available direct and sublease space in industrial properties.

W/D: Warehouse and/or distribution properties.

MFG: Manufacturing properties.

Regional Map



About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in approximately 400 offices and 60 countries. In 2022, the firm reported revenue of \$10.1 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), Environmental, Social and Governance (ESG) and more. For additional information, visit www.cushmanwakefield.com.

Jason Price

Tel: +1 201.508.5208

jason.price@cushwake.com