



Industrial Market Report

Boston - MA USA

PREPARED BY



Ernest Wronka
SIOR, CCIM, GRI, President



INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

7.1M

12 Mo Net Absorption in SF

536K

Vacancy Rate

6.4%

Market Asking Rent Growth

6.8%

Boston's industrial market continues to soften near the mid-point of 2024 amidst the tail end of a wave of new supply. The vacancy rate, now at 6.4%, has climbed more than 200 basis points since its most recent trough in early 2022. Net absorption has trended in negative territory for the past few quarters, as the market witnesses its heaviest delivery schedule in 25 years.

Nationally, the rate-driven slowdown in the housing market has driven a corresponding pullback in demand for related warehouse-intensive items, such as building materials, fixtures, and furniture. At the same time, imports and inventories are just returning to longer-term trends after pandemic-induced disruptions. This has slowed industrial demand despite ongoing job market strength and consumer resilience.

Boston has not been immune to these trends, with slower absorption of logistics space being one result. Added to the mix, locally, is softening demand for flex space, which comprises a disproportionate share of Boston's industrial inventory and serves the market's numerous biotech research and manufacturing organizations. Altogether, demand formation in the market equates to 550,000 SF in the past year. However, this has been driven primarily by Amazon's occupancy of a new 3.8 million SF facility in North Andover that delivered in 24Q2.

Amazon's expansion aside, demand will remain muted in the near term. As leasing looks to generate some traction, it is the supply situation looks set to lead the vacancy rate above 6.5% by the end of the year, its highest point since 2015. Amazon's building alone is big enough to represent the largest amount of new supply to hit the market since 2001, but several other large projects are expected to deliver by the end of the year with space available.

A rising vacancy rate has compressed rent growth, another trend that looks set to continue into 2024. After reaching a cycle peak of 9.8% in mid-2022, Boston's industrial rent growth on a trailing 12-month basis has tapered to 6.8% as of the second quarter of 2024. This largely mirrors national trends, though Boston's comparatively larger share of slower-moving flex rents will keep market asking rates from decelerating as quickly. Rent growth projects to remain above 5% by year's end, before some stabilization by mid-2025 as supply growth slows and the overhang of new space is absorbed.

Boston's longer-term outlook is similar to that of the nation as a whole, with vacancy forecast to settle around 7% by the end of 2025—above what it was in the tightening 2010s but well below the double-digit levels of the years before and after the Great Recession.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	179,500,500	6.3%	\$14.42	9.3%	2,868,788	3,936,000	2,706,178
Specialized Industrial	83,852,398	3.5%	\$14.33	5.0%	(219,733)	147,000	39,488
Flex	103,154,374	9.0%	\$20.16	11.5%	(483,895)	28,957	971,225
Market	366,507,272	6.4%	\$16.01	8.9%	2,165,160	4,111,957	3,716,891

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	7.9%	6.7%	12.1%	2005 Q1	3.9%	2022 Q1
Net Absorption SF	536K	225,990	27,634	4,867,080	2008 Q1	(6,136,087)	2004 Q1
Deliveries SF	7.1M	2,258,364	2,623,402	5,722,508	1999 Q3	353,284	2011 Q4
Market Asking Rent Growth	6.8%	3.3%	4.9%	9.8%	2022 Q3	-2.8%	2009 Q4
Sales Volume	\$1.7B	\$1.4B	N/A	\$5.2B	2022 Q3	\$355.6M	2011 Q1

Absorption turned negative in Boston during 2023, with total demand erosion indicating the sharpest loss of the past decade. Demand has weakened more locally than it has nationally, where absorption slowed considerably in 2023 from its red-hot pace of the prior two years but remained positive. The national pattern has held in the logistics segment in the Boston metro, but weakness in the flex and manufacturing segments, of which Boston has more than the typical share, has been a drag on overall industrial demand.

Boston's industrial tenants took 550,000 SF in the past 12 months on net, primarily a result of Amazon's move-in at 1450 Osgood Street in North Andover during 24Q2. Much of the market's space given back falls in the Rockingham, Concord/Maynard, and I-95 Corridor South submarkets. Rockingham and Concord/Maynard are areas where flex R&D and light manufacturing facilities represent a disproportionate share of industrial buildings.

Meanwhile, the logistics-oriented I-95 Corridor South has begun to suffer from an apparent tenant preference for logistics space further down the coast and to the east. Demand has remained steady in Route 3 South, on the highway from Cape Cod through Boston and into New Hampshire, as well as in South Suffolk County. Most notable has been sporting goods manufacturer Achushnet's late 2023 occupancy of the 556,000-SF distribution center at 175 Kenneth Welch Road in Lakeville. Further north, Eversource took just under

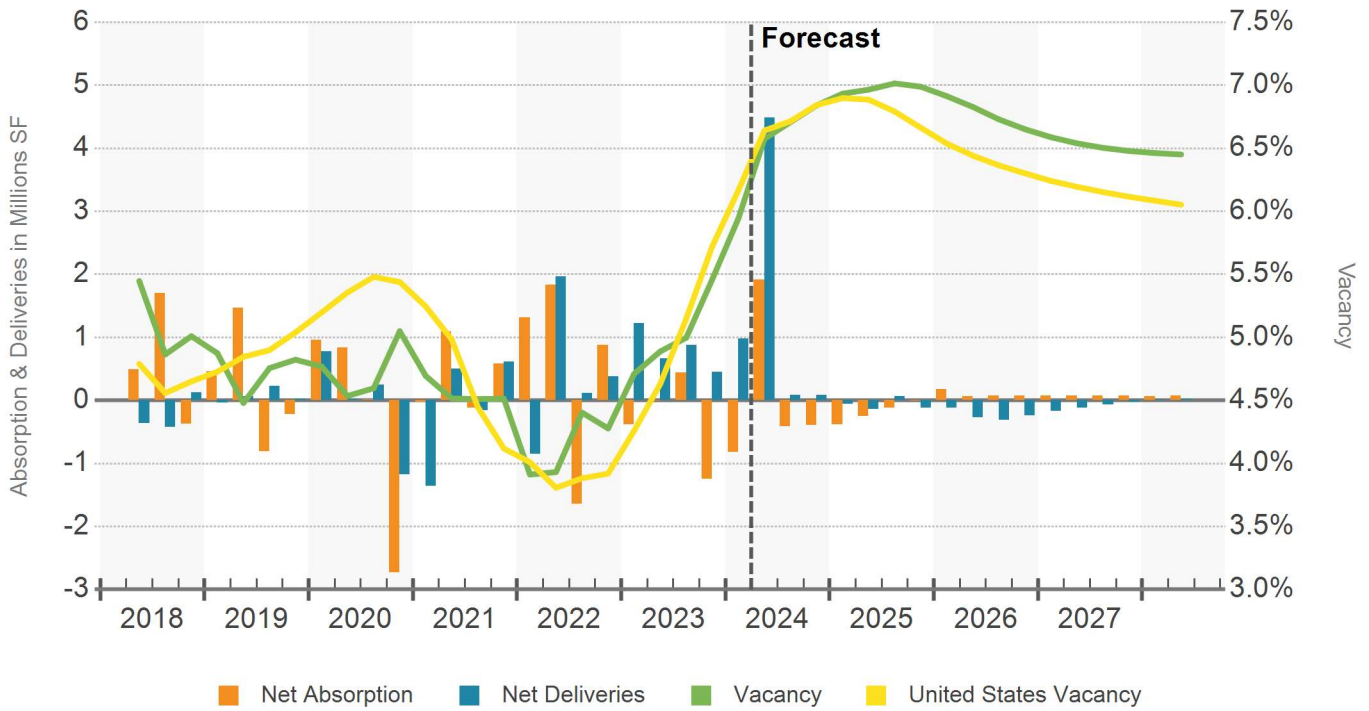
100,000 SF at the Boston Business Park on a three-year term, with occupancy set for 24Q2.

As indicated by recent leasing trends, absorption is expected to remain stagnant through the rest of 2024. Leasing volume in Boston reached just over 9 million SF in 2023, dropping for the second consecutive year after a decade-high of over 14 million SF in 2022. Thus far in 2024, the typical lease size is just under 9,200 SF, a third less than the average from the previous five years, and hints at further headwinds.

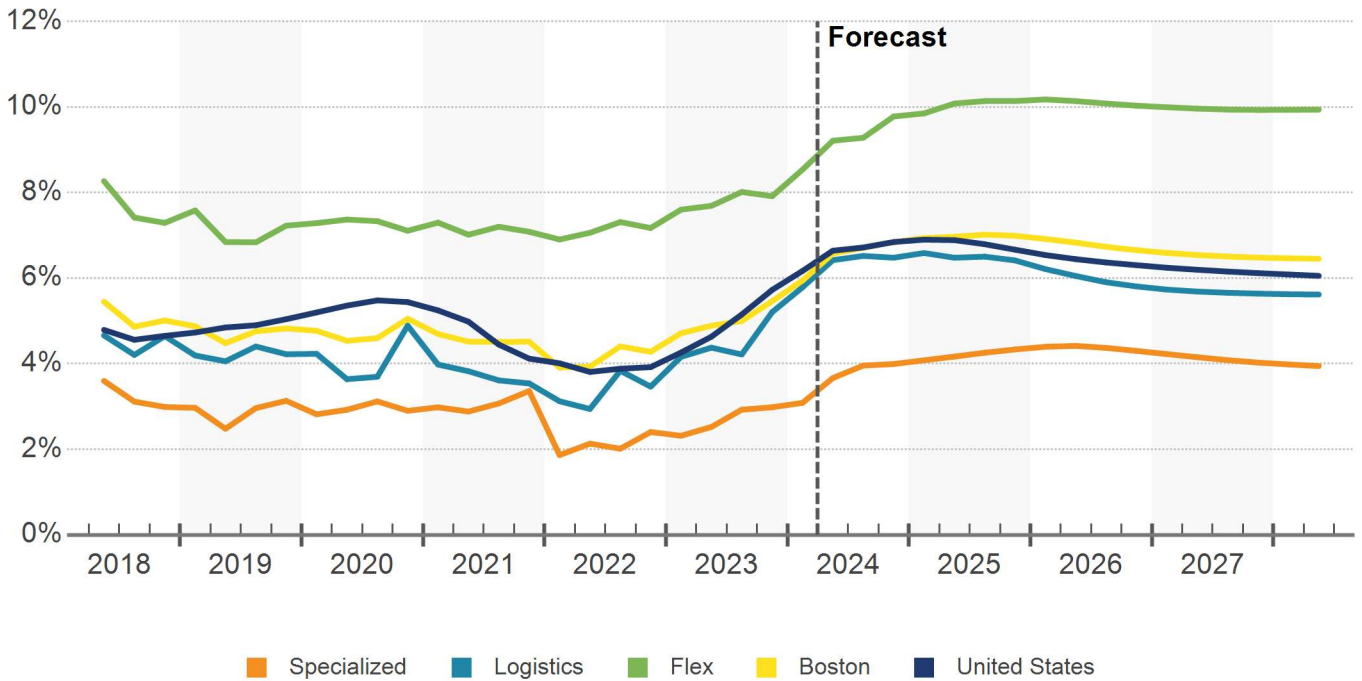
Slowing demand has pushed the vacancy rate in Boston up to 6.4%, an increase of over 200 basis points from its recent trough in early 2022. This remains below the historical average of 7.9%, but supply pressures will likely contribute to a vacancy rate approaching that figure by the end of 2024 before the trend reverses.

The logistics segment figures to be the first to see an uptick in vacancy, as several unleased medium-sized distribution facilities have delivered recently, and more are slated for delivery early in 2024. The flex segment, which serves a disproportionate share of Boston's biotechnology occupiers, could also see a substantial increase in vacancy this year. The same pullback in venture capital support squelching demand for new lab space in Boston-area office buildings has helped drive flex vacancy to 9.0% and could send it closer to 10% by the end of 2024.

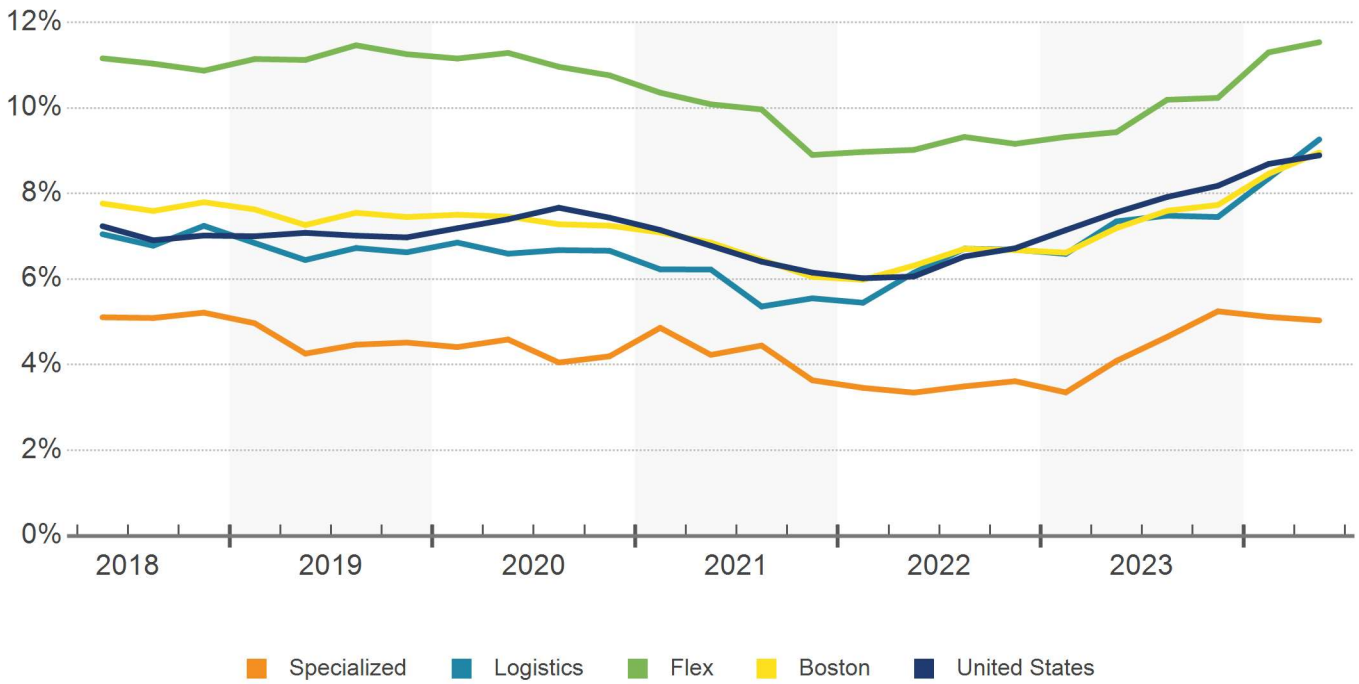
NET ABSORPTION, NET DELIVERIES & VACANCY



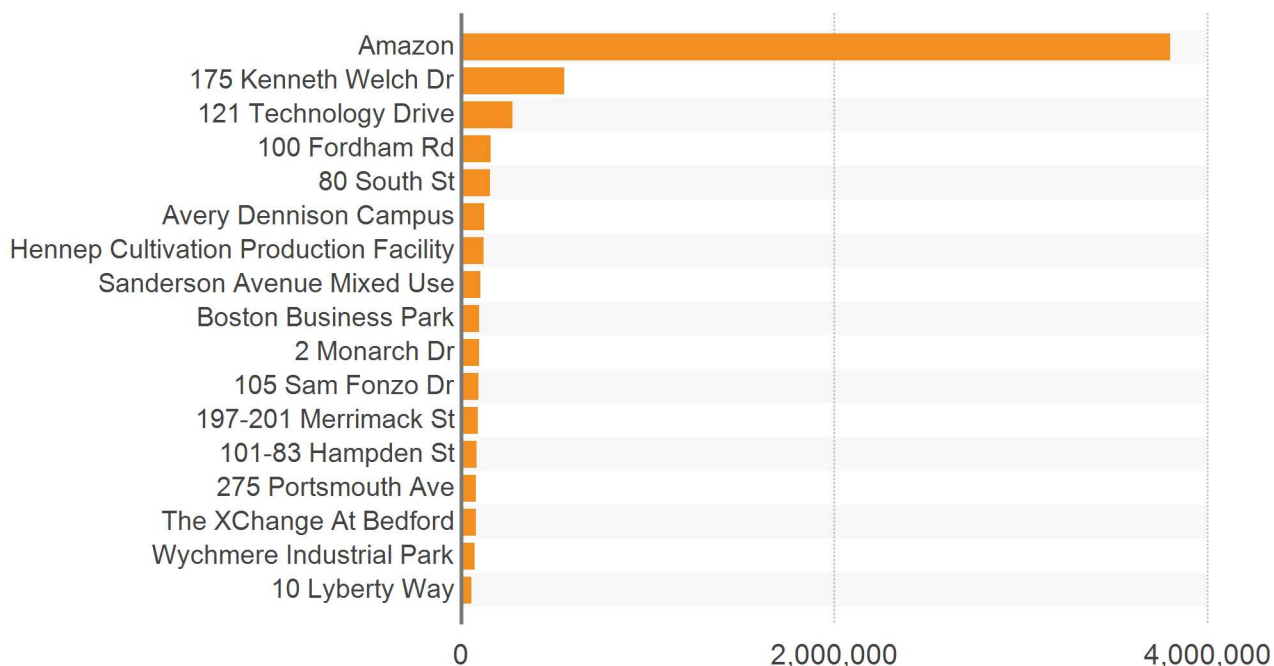
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Amazon	Lawrence/Andover Ind	3,800,000	0	0	3,800,000	0	0	3,800,000
175 Kenneth Welch Dr	Route 3 South Ind	555,695	0	0	0	0	0	555,695
121 Technology Drive	Strafford County Ind	508,000	166,330	139,550	0	0	0	274,670
100 Fordham Rd	Wilmington/Winchest...	158,000	0	158,000	0	0	0	158,000
80 South St	Hopkinton/Holliston Ind	154,604	0	0	0	0	0	154,604
Avery Dennison Campus	Framingham/Natick Ind	126,691	0	0	0	0	0	126,691
Hennep Cultivation Production F...	I-95 Corridor South Ind	121,000	0	0	121,000	0	0	121,000
Sanderson Avenue Mixed Use	Saugus/Lynn Ind	113,000	0	100,000	0	0	0	104,480
Boston Business Park	South Suffolk County...	194,630	0	0	99,185	0	0	99,185
2 Monarch Dr	Concord/Maynard Ind	98,000	0	98,000	0	0	0	98,000
105 Sam Fonzo Dr	Danvers/Beverly Ind	95,800	0	0	0	0	0	95,800
197-201 Merrimack St	Lawrence/Andover Ind	174,633	85,000	110,000	(85,000)	0	0	89,633
101-83 Hampden St	Roxbury/Dorchester I...	84,000	0	0	0	0	0	84,000
275 Portsmouth Ave	Rockingham Ind	115,652	0	0	0	0	0	80,000
The XChange At Bedford	Lowell/Chelmsford Ind	79,500	0	0	0	0	0	79,500
Wychmere Industrial Park	Route 24 Ind	149,680	75,000	0	0	0	0	74,680
10 Lyberty Way	Lowell/Chelmsford Ind	129,000	71,975	0	0	0	0	57,025
Subtotal Primary Competitors		6,657,885	398,305	605,550	3,935,185	0	0	6,052,963
Remaining Boston Market		359,934,895	23,095,521	(1,423,486)	(1,774,425)	0	0	(5,524,114)
Total Boston Market		366,592,780	23,493,826	(817,936)	2,160,760	0	0	528,849

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
90 Nemco Way	Concord/Maynard	216,000	Q2 23	Catania-Spagna Corporati...	-	Newmark
100 New Hampshire Ave	Rockingham	210,000	Q2 23	-	-	Newmark
100 Campanelli Pky *	Route 24	208,200	Q3 23	Electrical Wholesalers Inc.	-	-
3 Perkins Way	Amesbury/Ipswich	140,000	Q1 24	Bradford & Bigelow	-	-
300 Pond St	Route 24	132,550	Q3 23	The Swan Group	-	-
38 Upton Dr	Wilmington/Winchester	111,119	Q1 24	ZOLL Medical	JLL	JLL
200 Meadow Rd	South Suffolk County	99,185	Q4 23	Eversource	Cushman & Wakefield	Cushman & Wakefield
250 Ballardvale St	Wilmington/Winchester	95,881	Q3 23	-	Cushman & Wakefield	Newmark
91-101 Glenn St	Lawrence/Andover	91,333	Q3 23	-	-	-
25 John Rd *	Route 1 South	77,600	Q2 24	-	-	John Flatley Company
13 Page Rd	Rockingham	75,000	Q3 23	Beacon Building Products	-	JLL
105 Industrial Blvd	Route 24	74,680	Q4 23	Air Energy Group	Avison Young	Cushman & Wakefield
200 Danton Dr	Lawrence/Andover	70,041	Q2 24	All Access Equipment	Hunneman	CBRE
11 Westford Rd	Concord/Maynard	70,000	Q4 23	Commonwealth Fusion Sy...	-	Fieldstone Commercial...
65 Sunnyslope Ave	Lowell/Chelmsford	69,560	Q2 24	-	-	Colliers
65 Sunnyslope Ave	Lowell/Chelmsford	69,560	Q1 24	-	-	Colliers
180 New Boston St	Wilmington/Winchester	66,219	Q4 23	Amazon Robotics	-	The Stubblebine Comp...
31 Commercial St *	I-95 Corridor South	64,200	Q1 24	Staples	CBRE	Newmark
400 Beaver Brook Rd	Concord/Maynard	64,000	Q2 23	TUV Rheinland of North A...	-	-
1 Second St	Peabody/Salem	60,000	Q2 23	-	JLL	JLL
10 Lyberty Way	Lowell/Chelmsford	57,000	Q4 23	BTU International	Avison Young	Cushman & Wakefield
6 Industrial Way	Rockingham	56,832	Q1 24	Sheergard Composite Sol...	-	Colliers;Goodnow Real...
19 National Dr	I-95 Corridor South	56,725	Q4 23	Eastern Acoustic Works	Kelleher & Sadowsk...	RW Holmes Realty Co...
10 Liberty Way	I-95 Corridor South	55,023	Q1 24	SNAP2 Cabinets	Lincoln Property Co...	Lincoln Property Comp...
3 Lopez Rd	Wilmington/Winchester	53,500	Q1 24	-	-	Newmark
30 New Hampshire Ave	Rockingham	52,000	Q3 23	Aclara	-	-
250 Ballardvale St	Wilmington/Winchester	50,611	Q3 23	-	Cushman & Wakefield	Newmark
1123 Pearl St	Route 24	47,300	Q2 24	-	-	Newmark
89 Cross St	Hopkinton/Holliston	44,923	Q4 23	Advanced warehouse Sys...	-	-
20 Ledin Dr *	Route 24	42,000	Q1 24	Waste Management, Inc.	-	JLL
1020 W Chestnut St	Route 24	41,000	Q4 23	-	-	The Stubblebine Comp...
353 Howard St	Route 24	40,285	Q4 23	802 Cabinetry LLC	The Stubblebine Co...	CBRE
125 Shawmut Rd	Route 1 South	40,105	Q2 24	-	-	Newmark
45-47 Wiggins Ave *	Concord/Maynard	38,000	Q4 23	Stoke Therapeutics	-	-
11 Westford Rd	Concord/Maynard	37,620	Q4 23	Win Wars	-	Fieldstone Commercial...
626 Lynnway Rd	Saugus/Lynn	36,620	Q4 23	Global Protection	-	Cushman & Wakefield
47 Clinton	Amesbury/Ipswich	36,400	Q4 23	-	-	Aluxety
5 Waltham St *	Wilmington/Winchester	35,489	Q1 24	Compass Packing Solutio...	-	The Stubblebine Comp...
247 Lynnfield St	Peabody/Salem	34,000	Q2 24	-	-	Colliers
15-21 University Rd	Route 1 South	32,577	Q3 23	Melville Candy	-	CBRE

*Renewal

Average industrial rents in Boston are currently \$16.00/SF, up 6.8% from a year ago. Rents at flex properties, which support some of Boston's leading biotech research and manufacturing organizations, tend to be about \$3/SF higher than the overall average, though they have grown less aggressively, at 7.7% year over year. Logistics rents are a little more than \$1/SF lower than the market-wide average, up 6.2% in the past 12 months.

Rents accelerated rapidly during 2021 and 2022, just as they did nationally, with growth peaking at 9.8% in the middle of 2022. In the logistics category, annual rent growth hit 12% before decelerating.

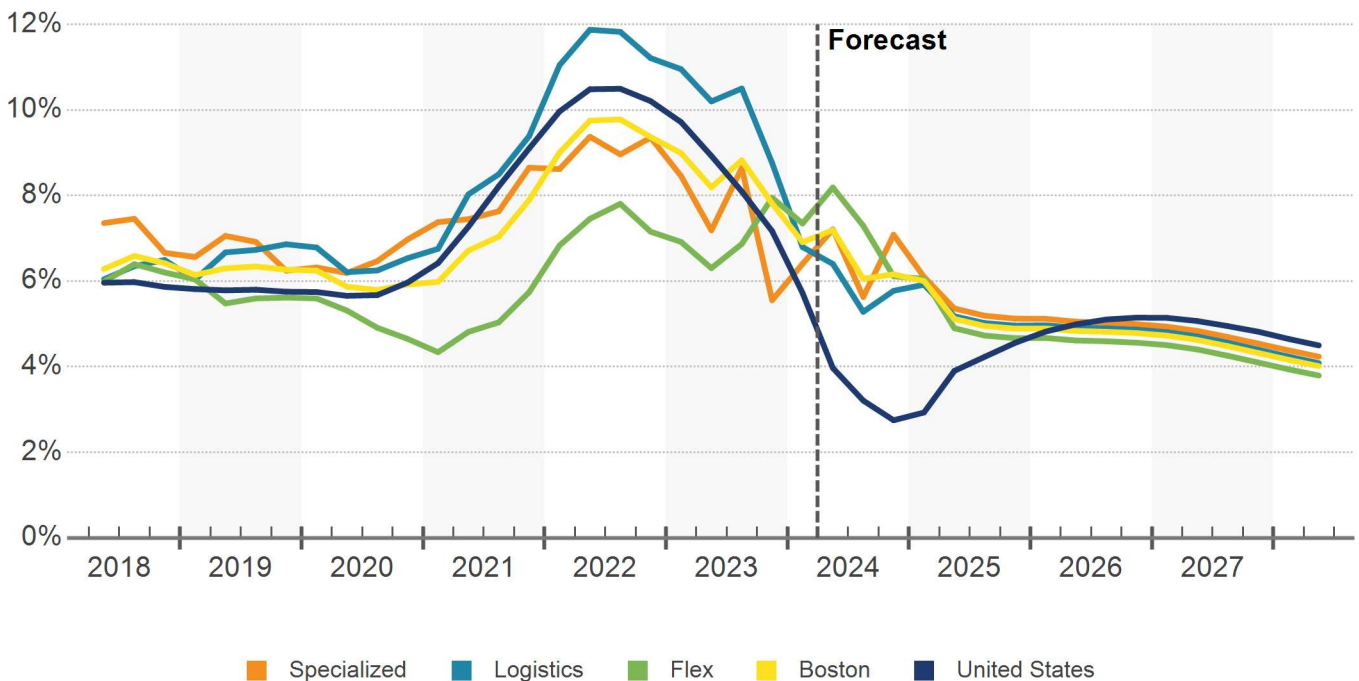
On the backdrop of negative demand in 2023 and a historic, if temporary, spike in supply, rents are expected to decelerate further for much of the next 12 months before the annual growth rate settles in the 4-5% range, still above its average of 3.7% during the 2010s. This would outpace anticipated national rent growth through early 2026, which is expected to dip below 3% by the end of 2024 due to an even more dramatic surge in construction, then recover above 5% as long-term demand drivers lead to absorption of the supply

overhang.

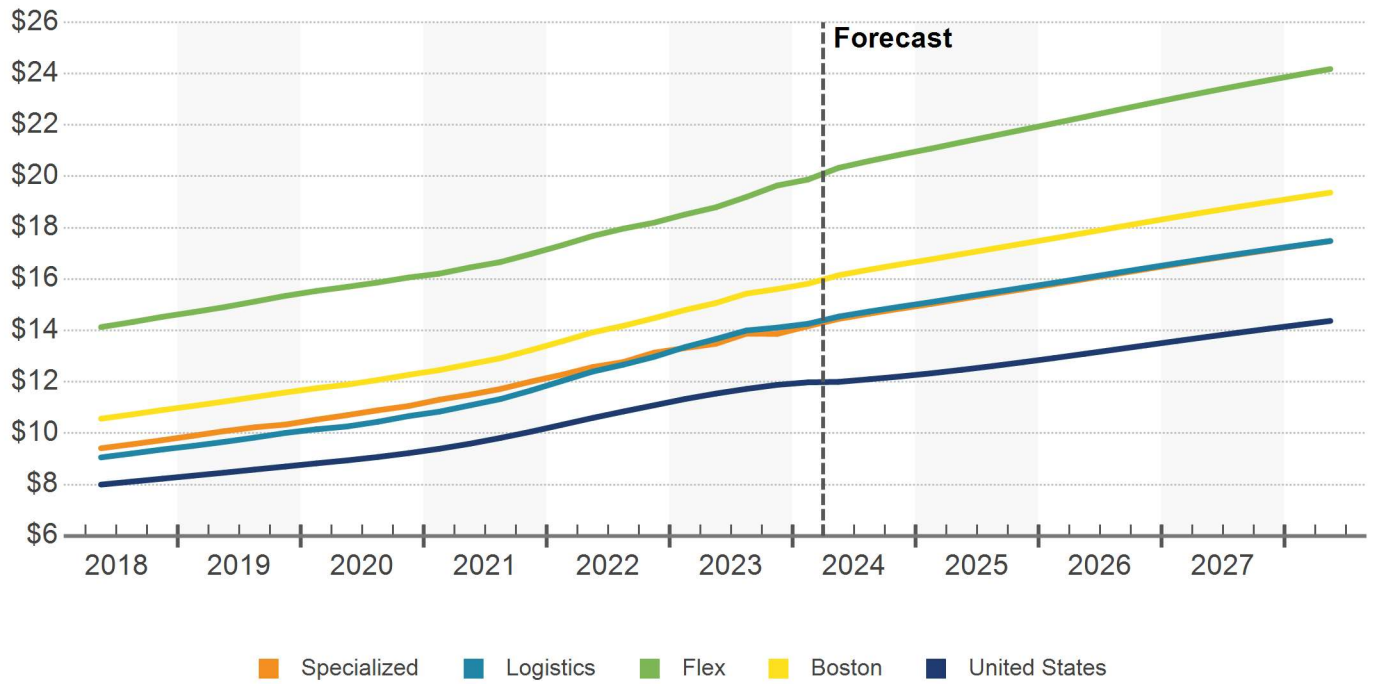
Boston's southeastern suburbs have been among recent leaders in rent growth, driven by resilient demand for logistics space on that side of the metro area. Together, the contiguous Route 24, I-95 Corridor South, and Route 3 South submarkets comprise 19% of Boston's industrial inventory. They have accounted for over 900,000 SF in positive absorption in the past year and have experienced rent growth near 6.5% as a result. That said, this performance has attracted recent development in the area, and the lease-up trajectories of new deliveries have been mediocre so far.

On the other end of the spectrum, the flex-heavy, biotech-oriented submarkets near Cambridge and the Route 128 corridor have seen disproportionately negative absorption, but this hasn't materialized into drastically slower rent growth. With the exception of a new facility in Lexington slated for a late-2024 delivery, these areas do not expect additional supply pressure in the near term, and contrary to their southern counterparts, have not witnessed an inundation of massive logistics warehouses over the past 18 months.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



Boston's recent supply wave is remarkably large by local standards, but restrained in comparison to national trends. This should help vacancy moderate relatively more quickly in Boston after an anticipated peak in 2025.

Industrial supply in Boston has been quite measured since the turn of the millennium. It has not been unusual to see around 2 million SF in demolitions per year, and low construction levels have been a feature of the market since before the Great Recession. This produced a supply contraction of 15 million SF from 2006-20.

Subsequently, industrial developers jumped on the nationwide post-pandemic construction bandwagon, building speculative facilities to serve upward-trending demand for products that can be purchased in both digital and physical stores. Several biotech-oriented flex properties have also contributed to Boston's supply growth.

The 4 million SF in new construction delivered in 2023 was the most since 2001, and 2024's forecast for nearly 7 million SF would be a new record for the market. Altogether, there are 3.7 million SF under construction—down from about 9 million a year ago but still historically high.

Even so, the local construction boom is smaller than what is occurring nationally, both in length and depth. The amount of space currently under construction is 1.0% of inventory, compared to 1.9% nationally. And by the time the wave subsides, which is projected to be around the end of the year, it will have lasted four years

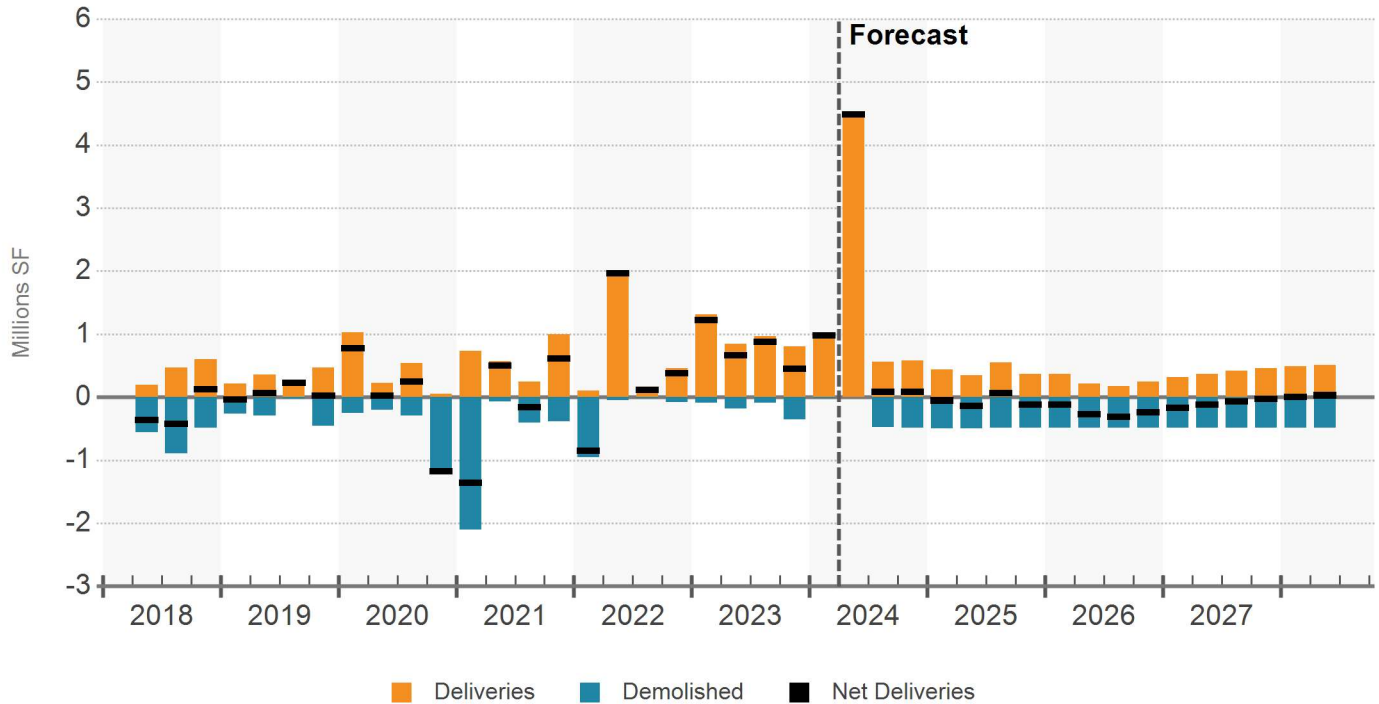
and added a net 3% of inventory in Boston, compared to five years and 10% of inventory nationwide.

The I-95 Corridor South and Route 3 South, both near the Rhode Island border, have led the charge of recent inventory expansion, to little positive result for developers so far. For example, two midsize warehouses in Wrentham, in the I-95 Corridor South Submarket, remain vacant after delivery in May and September of 2023, respectively. The same is true for a larger distribution facility in nearby Plainville. The 662,500-SF cross-dock building at 27 Cross Street delivered in early 2023 and remains fully available for lease. Similarly vacant recent projects in the Route 3 South Submarket include a 412,500-SF facility at 211 Highland Street in East Bridgewater, which completed construction in 23Q4. Uncommitted supply coming in 2024 includes a 350,000-SF building at 21 Lincoln Street in West Bridgewater during 24Q3.

Elsewhere, the anticipated March completion of Amazon's new 3.8 million-SF facility in North Andover will mark the largest distribution center project in years. In the flex category, a 310,000-SF R&D facility at 440 Bedford Street in Lexington is unleased but won't deliver until late 2024.

Amazon notwithstanding, these recent and upcoming projects illustrate the current supply-demand imbalance in Boston's industrial market. With construction starts continuing to plummet, however, supply-side pressure should moderate quickly, and market fundamentals are expected to begin recovering in 12-18 months.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Somerville/Chelsea	4	561	5	0.8%	8	27,296	140,329	7
2	Route 3 South	3	483	88	18.3%	5	32,155	161,067	6
3	Rockingham	4	410	257	62.8%	2	36,356	102,420	8
4	Quincy/Braintree	2	400	86	21.6%	4	38,474	200,000	3
5	I-95 Corridor South	5	380	200	52.6%	3	43,535	75,900	9
6	Lexington/Arlington	2	345	35	10.1%	7	33,046	172,598	5
7	Ft Pt Chan/S Boston	1	268	268	100%	1	51,256	268,000	1
8	Wilmington/Winchester	1	238	0	0%	9	40,128	237,880	2
9	Lawrence/Andover	1	197	30	15.1%	6	63,620	197,360	4
10	Lowell/Chelmsford	3	140	0	0%	9	45,567	46,573	10
	All Other	7	295	111	37.8%		32,602	42,149	
Totals		33	3,717	1,080	29.1%		36,542	112,633	

Under Construction Properties

Boston Industrial

Properties

Square Feet

Percent of Inventory

Released

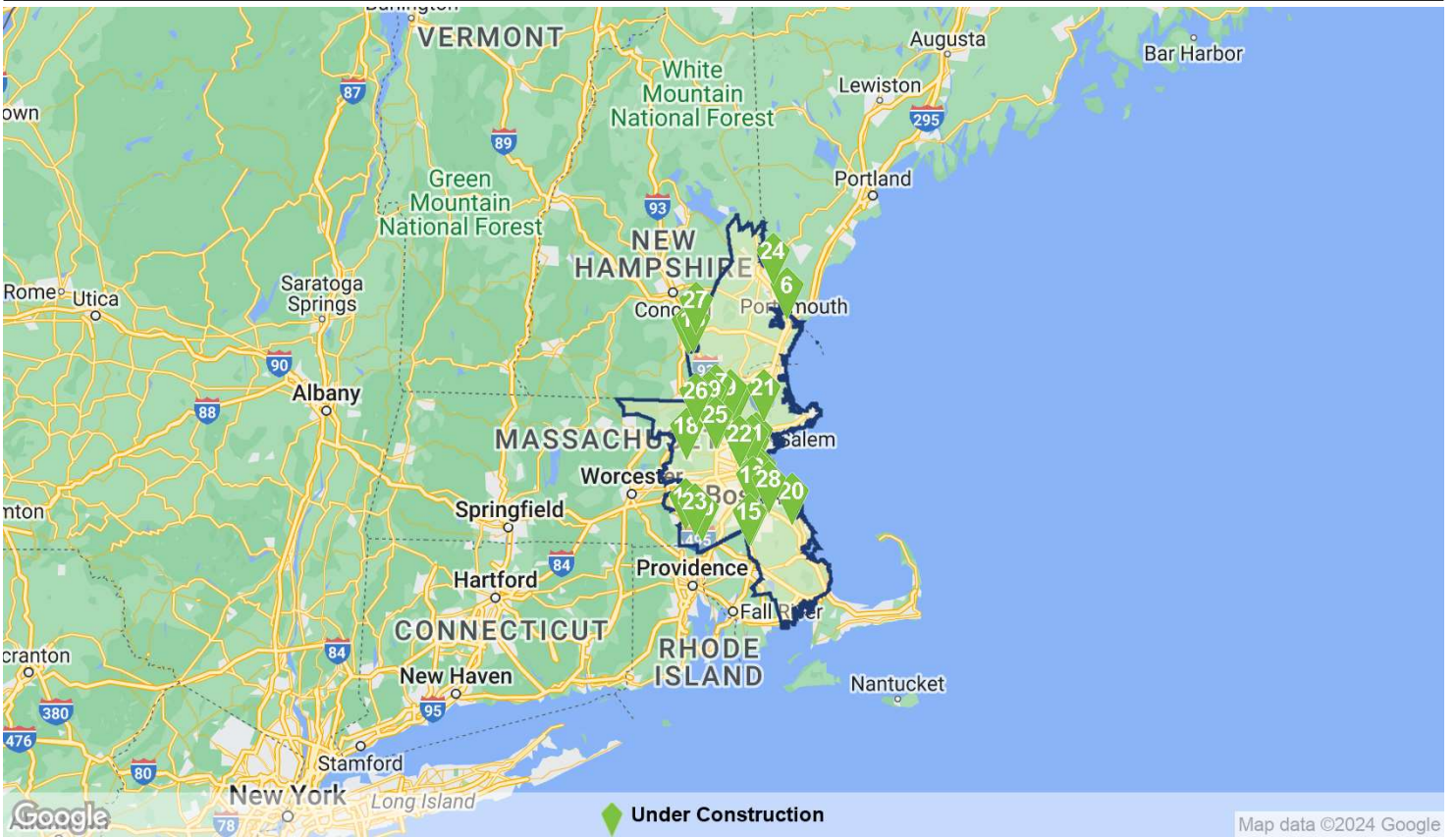
32

3,708,643

1.4%

28.9%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Building A 101 Lee Burbank Hwy	★★★★★	367,400	1	Jan 2024	Dec 2025	-
2 21 Lincoln St	★★★★☆	350,000	1	Apr 2023	Aug 2024	-
3 440 Bedford St	★★★★☆	310,195	6	Jan 2023	Dec 2024	-
4 23 Fid Kennedy Ave	★★★☆☆	268,000	9	Mar 2023	Dec 2024	-
5 800 Salem St	★★★★★	237,880	1	Feb 2024	Oct 2024	Camber Development Wheelock Street Capital
6 100 New Hampshire Ave	★★★★☆	210,000	1	Apr 2024	Sep 2024	- The Kane Company, Inc.
7 485 Quincy Ave	★★★★☆	200,000	1	Mar 2024	Dec 2024	-

Under Construction Properties

Boston Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 71 Adams St	★ ★ ★ ★ ★	200,000	1	Mar 2024	Jan 2025	George Lang -
9 4 Executive Dr	★ ★ ★ ★ ★	197,360	1	Jun 2022	Jul 2024	- -
10 404 Green	★ ★ ★ ★ ★	176,800	1	Oct 2022	Jul 2024	- Stockbridge Capital Group, LLC
11 Chelsea Point 250 Marginal St	★ ★ ★ ★ ★	146,409	1	Jun 2023	Jul 2024	- Hines
12 Hudson Corner 206 Mechanic St	★ ★ ★ ★ ★	124,200	1	Jul 2023	Jul 2024	- -
13 21 Randolph Rd	★ ★ ★ ★ ★	120,000	1	Nov 2023	Mar 2025	- -
14 55 Pettengill Rd	★ ★ ★ ★ ★	102,000	1	Oct 2023	Dec 2024	- -
15 7 Manley St	★ ★ ★ ★ ★	88,200	1	Feb 2023	Jul 2024	- Marcus Partners Inc.
16 13 Page Rd	★ ★ ★ ★ ★	75,000	1	May 2024	Apr 2025	PROCON Rhino Capital Advisors LLC
17 40 Commerce Way	★ ★ ★ ★ ★	65,800	1	Jun 2023	Aug 2024	- Rhino Capital Advisors LLC
18 17 Digital Way	★ ★ ★ ★ ★	52,500	1	Mar 2024	Sep 2024	- -
19 93 Brick Kiln Rd	★ ★ ★ ★ ★	48,970	1	Feb 2024	Dec 2024	- -
20 38 Riverside Dr	★ ★ ★ ★ ★	45,000	1	Feb 2024	Aug 2024	- -
21 495 Newbury St	★ ★ ★ ★ ★	43,054	3	Jan 2022	Jul 2024	- -
22 599 Somerville Ave	★ ★ ★ ★ ★	42,780	3	Mar 2023	Oct 2024	- -
23 839 Upper Union St	★ ★ ★ ★ ★	42,750	1	Aug 2022	Jul 2024	- -
24 187A Route 108	★ ★ ★ ★ ★	40,000	1	Nov 2023	Oct 2024	- -
25 Renewable Innovation C... 10 Maguire Rd	★ ★ ★ ★ ★	35,000	2	Oct 2022	Aug 2024	- Greatland Realty Partners
26 12 Kidder Rd	★ ★ ★ ★ ★	24,950	1	Aug 2022	Sep 2024	Loop Real Estate The Thomas Group, Inc.
27 22 Dartmouth	★ ★ ★ ★ ★	22,680	1	Apr 2023	Jul 2024	- -
28 73 Abington St	★ ★ ★ ★ ★	20,000	1	Sep 2023	Jul 2024	- -

Industrial investment sales activity in Boston normalized in 2023 after an incredible three-year run that saw over \$13.5 billion in assets exchange hands. Activity in 2024 is off to a slow start, but pricing has been stable, despite rising cap rates in the past 18 months.

The rapidly increasing cost of debt resulting from the Federal Reserve's unprecedented hiking of policy rates by 400 basis points in 18 months has contributed to falling sales volume in Boston as elsewhere. Still, there were an estimated \$2.7 billion in transactions in 2023, matching the figure from 2019 and far exceeding anything observed before that year. More recently, however, both 2020 and 2021 saw over \$2 billion in volume in Q4 alone, which underscores just how historically unusual those years were.

Data for the most recent quarter show that large sales are still occurring across the spectrum of industrial properties despite higher interest rates, a testament to the positive long-term outlook for the industrial sector. The best example is Westbrook Partners' December 2023 acquisition of a five-property logistics portfolio from a joint venture between the institutional giant TPG Angelo Gordon and the smaller private owner Equity Industrial Partners. The 1.7 million-SF portfolio, which was essentially fully leased at the time of sale and was valued at \$131/SF. This was Westbrook's second such portfolio acquisition in six months, with most of the properties strategically located in the southeastern suburbs of Boston.

Speculative builds with the right attributes and location have also garnered premiums. During 24Q2, Dogwood Industrial Properties acquired a brand new, 300,000 SF distribution building in the Wilmington/Winchester Submarket for \$90 million (\$301/SF). The building had 36' clear heights, 55 exterior dock doors and two drive-in doors. Dogwood is an owner-operator of logistics

space that focuses on infill, multi-tenant projects in high growth metropolitan areas across the U.S.

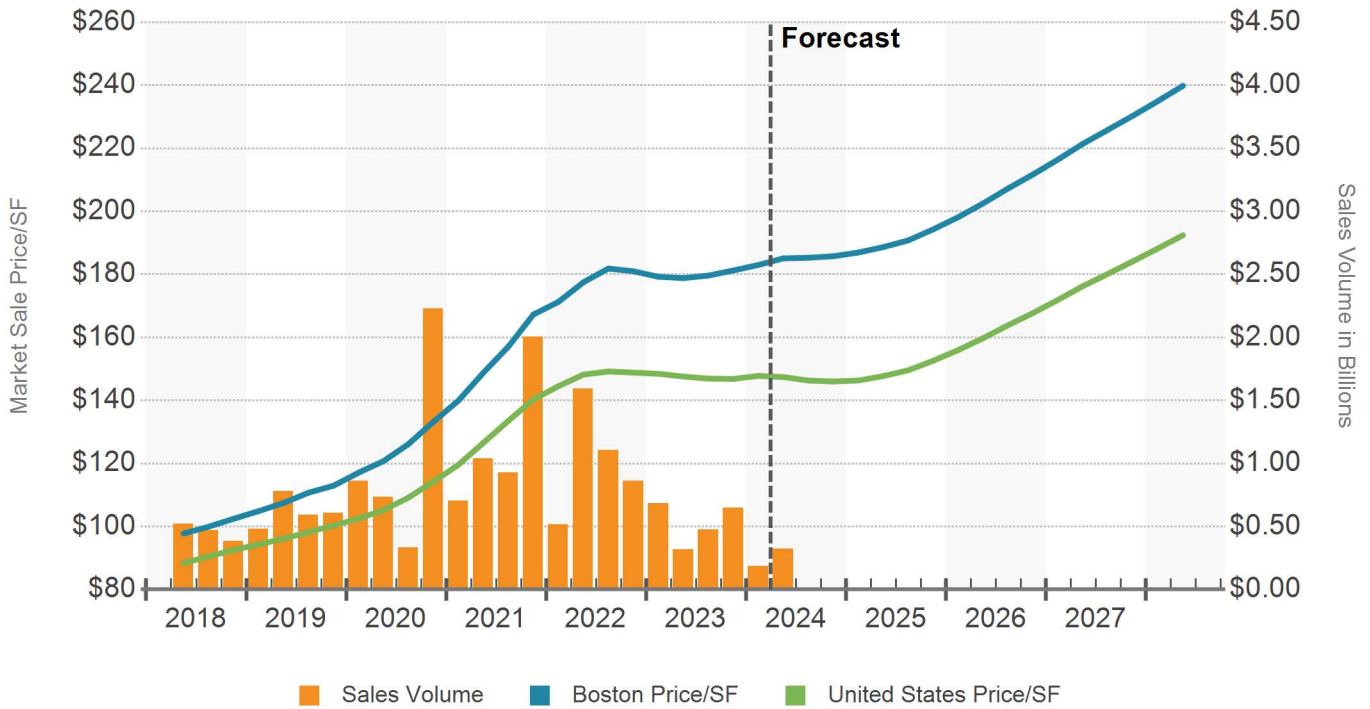
In the flex R&D segment, Alexandria Real Estate Equities stepped back into the flex market in January 2024 with the acquisition of the 48,900-SF building at 307 Dorchester Avenue in the Roxbury/Dorchester Submarket. The \$879/SF deal was one of few since a spate of similar transactions in 2022 and early 2023 drove up values for biotech-oriented flex space.

As a gateway market with relatively constrained supply, Boston has long enjoyed a pricing premium over the national average in the industrial sector. In 2022, this expanded from its historical 10-12% to about 22%, driven by lab-oriented flex trades. Average pricing has held steady near \$185/SF since mid-2022 in Boston, while it has hovered around \$148/SF nationally. While national values are expected to dip slightly in the next 12-18 months, constrained supply growth after mid-2024 should help keep local pricing stable for the next 12-18 months before an upward trend resumes in mid-2025.

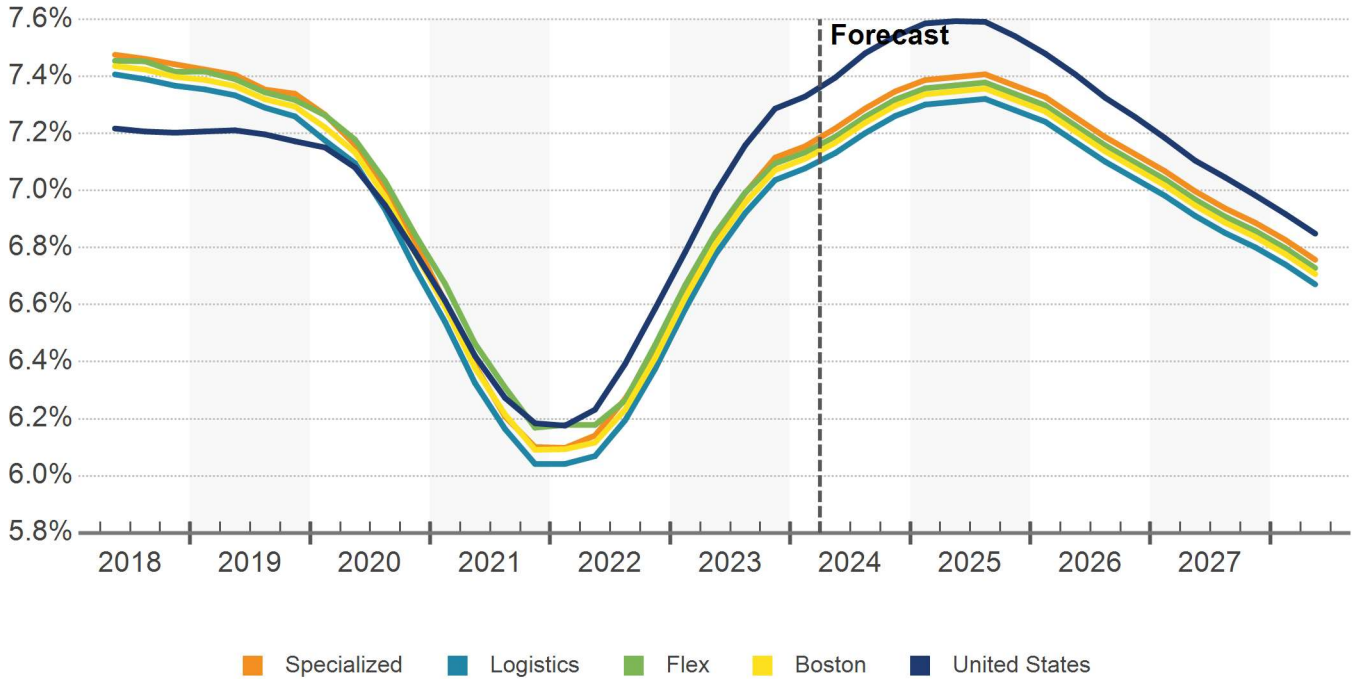
A forecast of stable values may be surprising, given expectations for additional cap rate expansion in the months ahead. The implication is that, despite a current supply-demand imbalance, market participants see long-term demand favorably and believe that opportunities remain for marking rents to market after acquisition.

Overall, market cap rates, currently around 7.1%, have risen 100 basis points since the end of 2021, with Boston's remaining 15-20 basis points below the national average. Over the next year, a further 40-50 basis point increase is expected both nationally and locally, suggesting that Boston should remain a market of comparative strength.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Boston Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

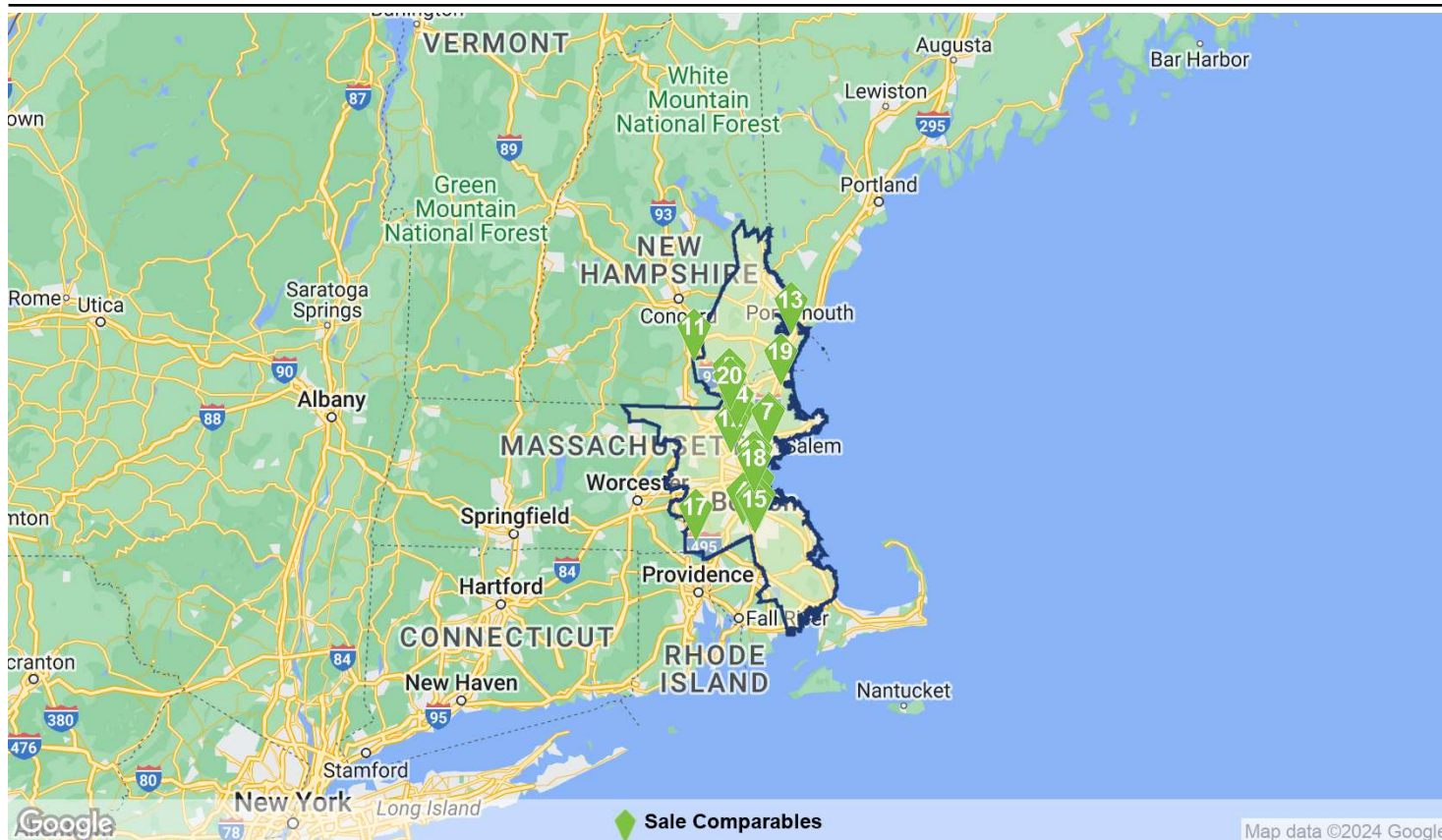
328

7.4%

\$164

8.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$15,000	\$7,962,444	\$2,400,000	\$90,000,000
Price/SF	\$2.08	\$164	\$160	\$1,549
Cap Rate	5.5%	7.4%	7.6%	10.1%
Time Since Sale in Months	0.0	6.5	6.6	12.0
Property Attributes	Low	Average	Median	High
Building SF	581	51,122	17,000	520,792
Ceiling Height	9'6"	19'10"	20'	36'
Docks	0	7	2	78
Vacancy Rate At Sale	0%	8.2%	0%	100%
Year Built	1800	1972	1982	2024
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Boston Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 175 Lowell St	★★★★★	2024	298,895	100%	4/19/2024	\$90,000,000	\$301	-
2 175-185 Campanelli Dr	★★★★☆	1968	484,000	0%	12/7/2023	\$77,500,000	\$160	-
3 8 Centennial Dr	★★★★☆	1982	520,792	0%	6/3/2024	\$77,000,000	\$148	-
4 135 Will Dr	★★★★☆	1983	415,796	0%	12/7/2023	\$68,000,000	\$164	-
5 Methuen Industrial Center 14 Aegean Dr	★★★★☆	2001	234,254	0%	5/8/2024	\$54,400,000	\$232	-
6 139 Shuman Ave	★★★★☆	1984	265,167	0%	10/13/2023	\$54,100,000	\$204	-
7 1 Technology Dr	★★★★☆	1982	186,591	0%	10/4/2023	\$53,100,000	\$285	-
8 420 E St	★★★★☆	1983	88,256	0%	12/21/2023	\$48,398,629	\$548	-
9 57 Littlefield St	★★★★☆	1974	383,225	0%	7/27/2023	\$47,250,000	\$123	-
10 307 Dorchester Ave	★★★☆☆	1900	48,900	0%	1/23/2024	\$43,000,000	\$879	-
11 12 Innovation Way	★★★★☆	2018	240,000	100%	12/27/2023	\$39,700,000	\$165	-
12 Verizon 51 S Bedford St	★★★★☆	1979	100,058	0%	12/1/2023	\$37,000,000	\$370	-
13 150 Ocean Rd	★★★★☆	1980	367,166	0%	12/7/2023	\$33,250,000	\$91	-
14 Bldg 2 326 Ballardvale St	★★★★☆	1972	130,000	0%	12/28/2023	\$32,591,973	\$251	-
15 560 Oak St	★★★★☆	1970	351,600	0%	12/7/2023	\$30,000,000	\$85	-
16 176 Grove St	★★★★☆	1987	169,968	0%	7/27/2023	\$29,500,000	\$174	-
17 206 Grove St	★★★★☆	2021	150,000	0%	7/27/2023	\$28,000,000	\$187	-
18 40-44 Sturtevant St	★★★★☆	2004	117,050	0%	7/3/2023	\$26,785,714	\$229	-
19 3 Perkins Way	★★★★☆	1970	140,000	0%	3/26/2024	\$25,000,000	\$179	-
20 Six Andover Tech Center 6 Technology Dr	★★★★☆	1985	128,400	0%	7/5/2023	\$23,780,000	\$185	-

Boston's economy has experienced faster growth than the overall U.S. economy for several years, driven by a highly educated workforce that supports the metro area's knowledge-oriented industries.

According to the Census Bureau's American Community Survey 2022, over 51% of adults in Boston aged 25 or older hold at least a bachelor's degree, and nearly 24% hold a graduate or professional degree. This makes Boston one of only six metropolitan areas with at least 1 million residents in which most adults have a bachelor's degree and one of only five in which more than a fifth have a graduate degree. Nationally, the percentages are 36.7% and 14.0%, respectively.

Because of this, the local economy is heavily weighted toward organizations operating in information, professional and business services, education and health services, and financial activities. This is evident in the list of the metro's largest employers, including healthcare systems Mass General, Beth Israel, and Dana-Farber; universities Harvard, MIT, Boston University, and Northeastern; and financial giants Fidelity, Mass Mutual, and John Hancock.

Advanced biotechnology research is a particular strength of the local economy, especially in Cambridge, which can lay claim to being the world's leading center for life sciences research and development. AstraZeneca, Moderna, Sanofi, Takeda, and Vertex Pharmaceuticals headline a long list of both established and emerging firms that helped Boston's economy grow by over 116% from 2017-21, compared to about 11% for the U.S.

Despite the relative strength of the Boston economy,

overall employment was hit harder by the pandemic than the nation at large. As of February 2024, total employment in the Boston metro area was still about 1% below where it was four years earlier, while nationally it was 3.6% higher.

Boston is also among the national leaders in cost of living. Local apartment rents currently average over \$2,800/month and are among the nation's highest, trailing only the metro areas in and around New York City and the San Francisco Bay Area. Similarly, house prices are much higher than the national average. According to the National Association of Realtors, the median sale price of an existing home in the Boston metro area was \$714,000 at the end of 2023, 81% above the national mark of \$394,600. This figure placed Boston near the top among markets on the East Coast.

Residents have enjoyed some small relative respite in inflation, however. From January 2021 to January 2024, consumer prices rose a total of 15% in Boston, lower than the 18% rise that occurred nationally.

More broadly, Boston has endured less pronounced outmigration than other gateway markets and has avoided some of the rise in social problems that coincided with the pandemic, though opioid abuse is a glaring counterexample. Per capita overdose deaths in Massachusetts were 13.5% higher than the national average in 2021.

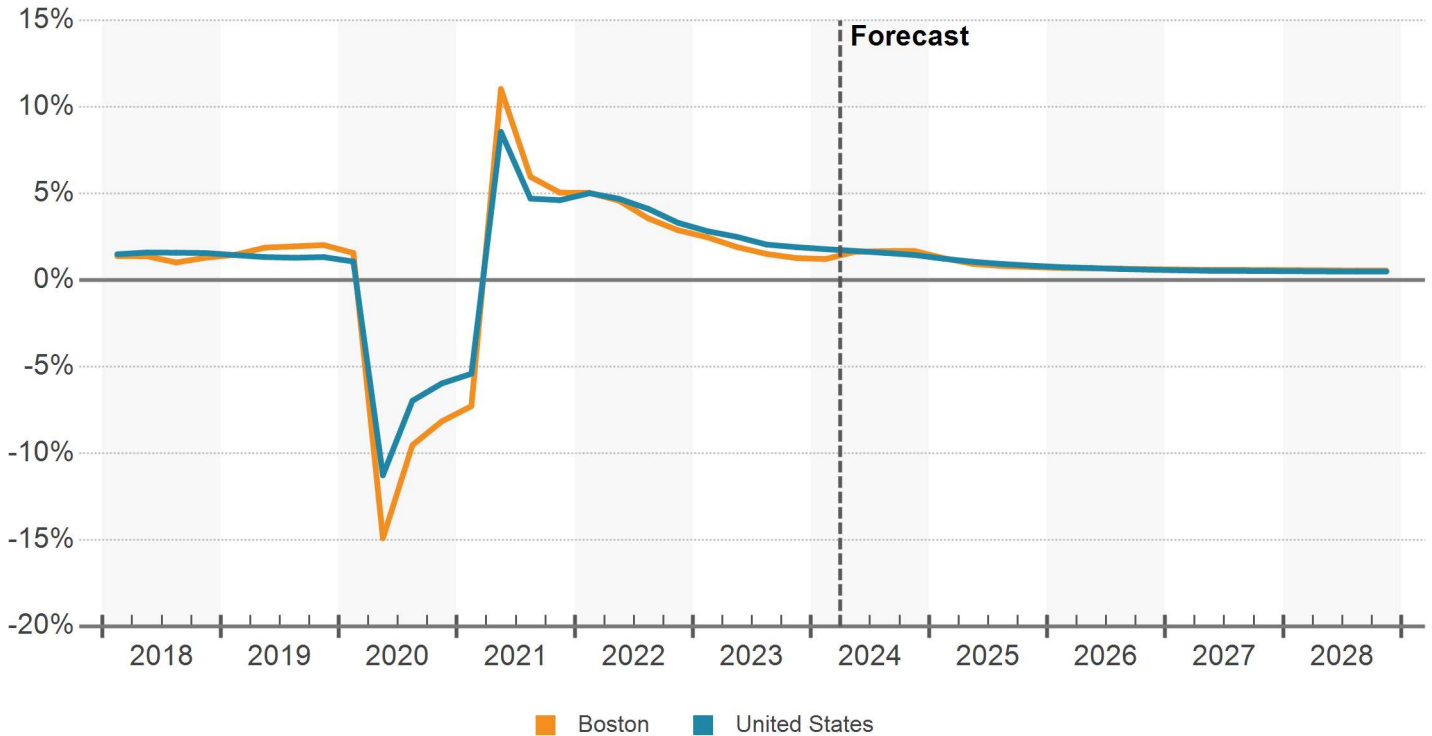
Looking ahead, the presence of vital industries, a capable labor force, and a generally high, if expensive, quality of life position Boston well for strong economic performance relative to the nation and peer markets.

BOSTON EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	170	0.7	-0.32%	0.40%	-0.32%	0.68%	0.12%	0.46%
Trade, Transportation and Utilities	407	0.8	-0.08%	0.31%	0.01%	1.02%	0.11%	0.38%
Retail Trade	238	0.8	0.16%	0.48%	-0.47%	0.26%	0.13%	0.27%
Financial Activities	203	1.2	0.98%	0.69%	1.17%	1.52%	0.20%	0.37%
Government	315	0.7	1.85%	2.54%	0.34%	0.62%	0.65%	0.71%
Natural Resources, Mining and Construction	133	0.8	3.20%	2.55%	3.62%	2.40%	1.91%	0.87%
Education and Health Services	623	1.3	3.38%	3.87%	1.71%	2.04%	0.77%	0.82%
Professional and Business Services	567	1.4	0.40%	0.66%	2.23%	1.89%	0.77%	0.74%
Information	89	1.6	0.96%	-0.79%	1.50%	1.07%	1.01%	0.66%
Leisure and Hospitality	273	0.9	2.20%	2.85%	0.88%	1.50%	1.13%	1.04%
Other Services	107	1.0	2.86%	1.60%	0.45%	0.59%	0.79%	0.56%
Total Employment	2,886	1.0	1.52%	1.71%	1.17%	1.35%	0.68%	0.67%

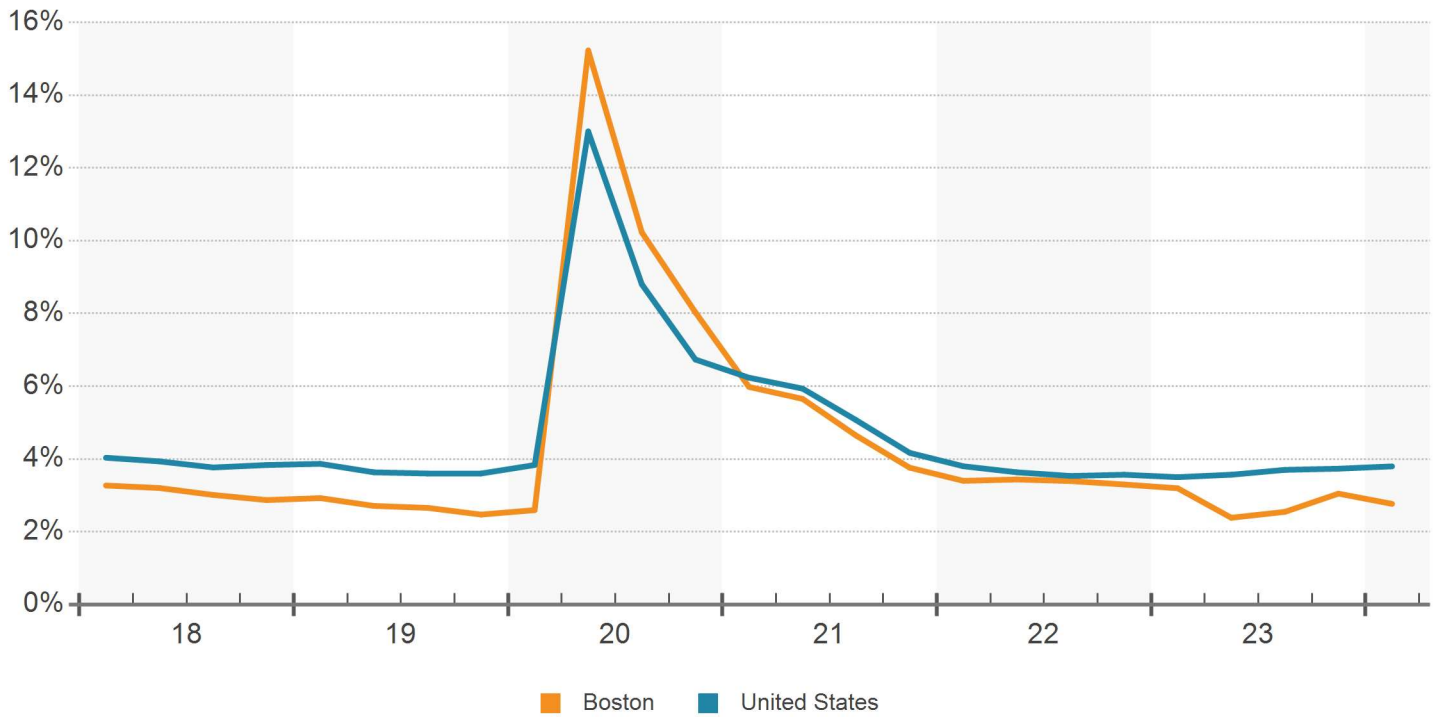
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

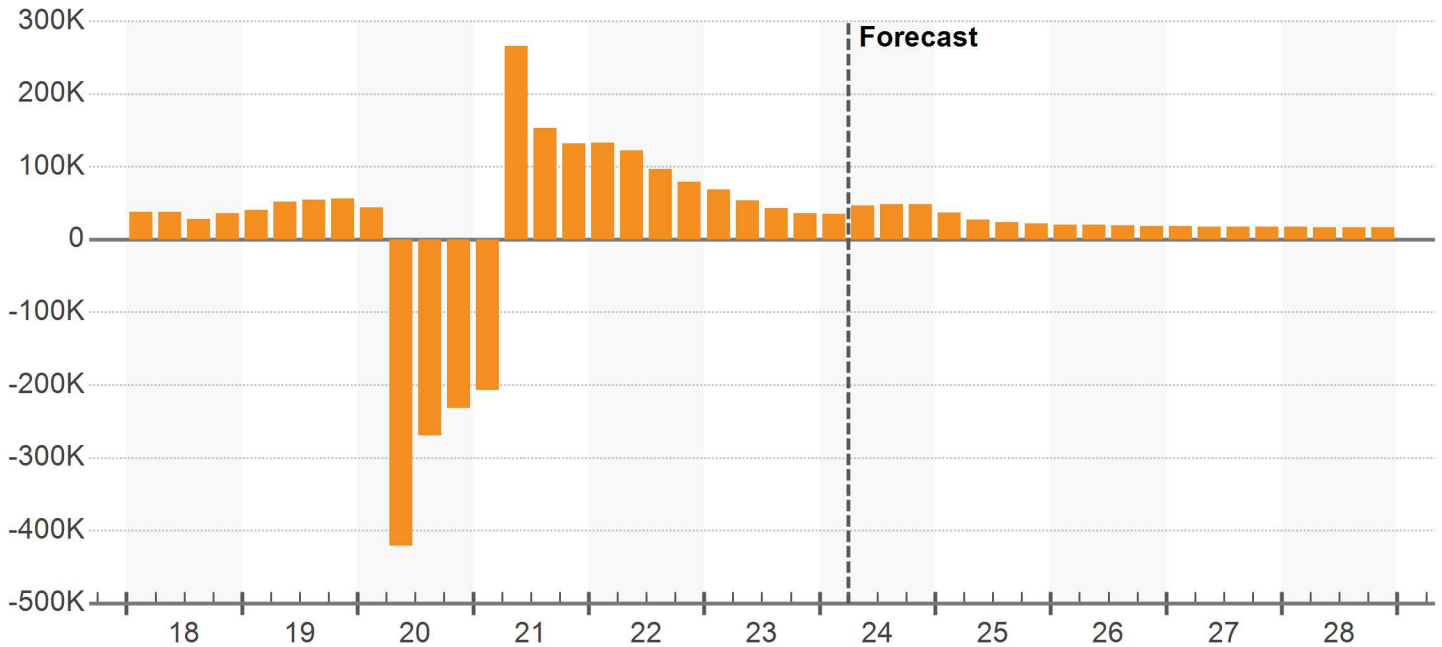


Source: Oxford Economics

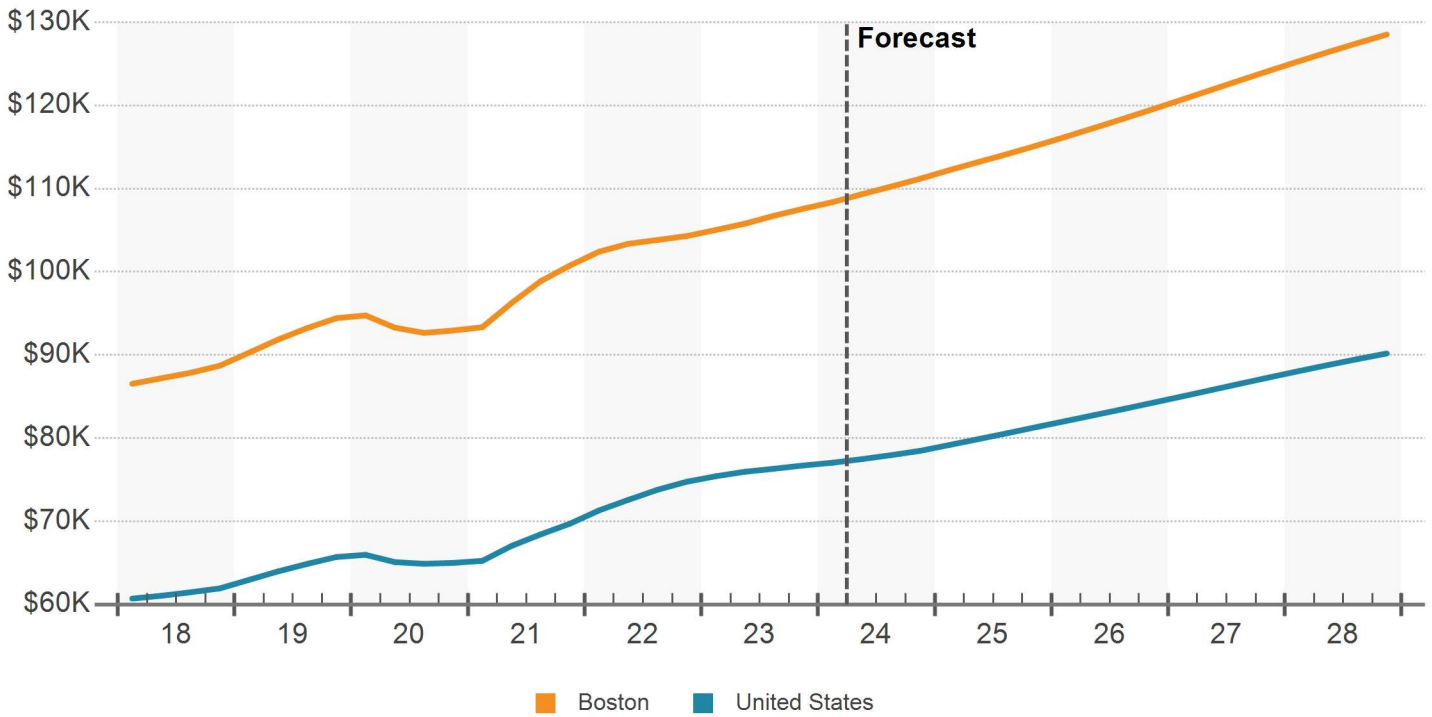
UNEMPLOYMENT RATE (%)



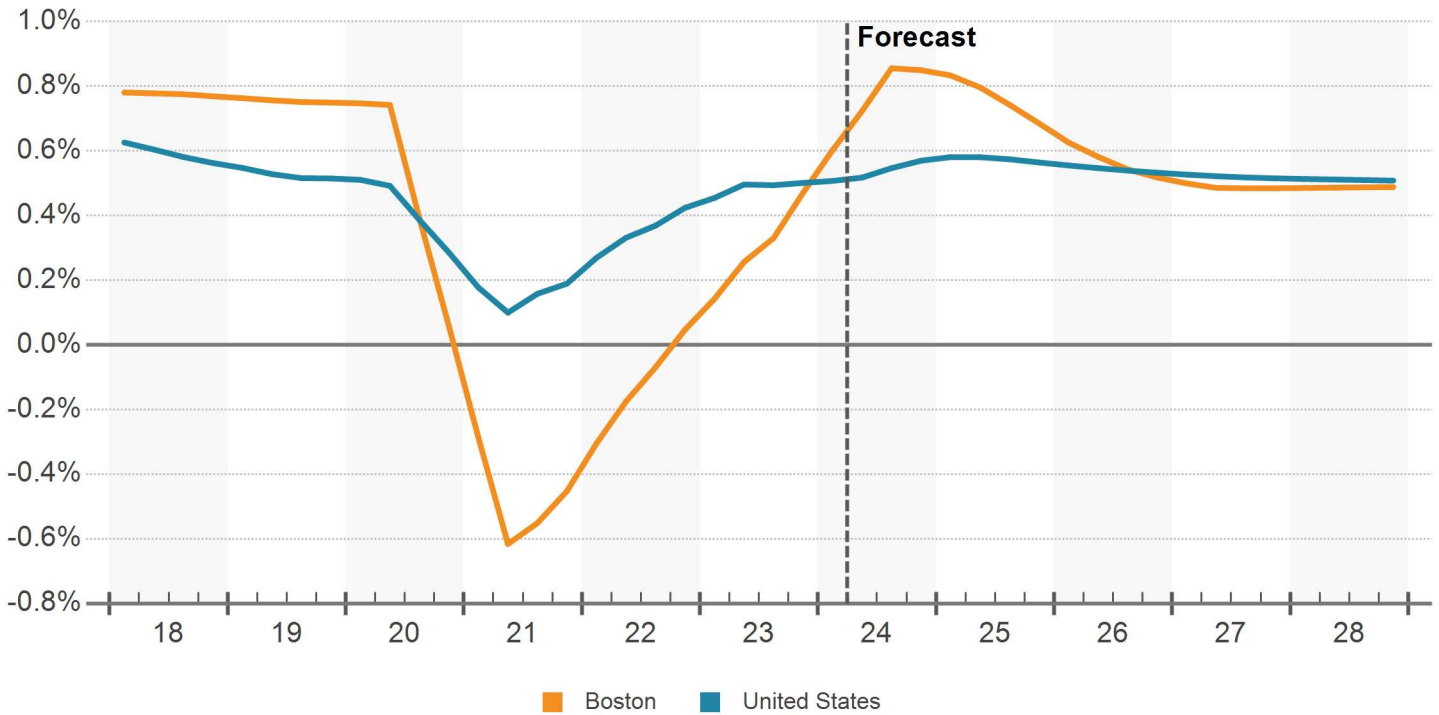
NET EMPLOYMENT CHANGE (YOY)



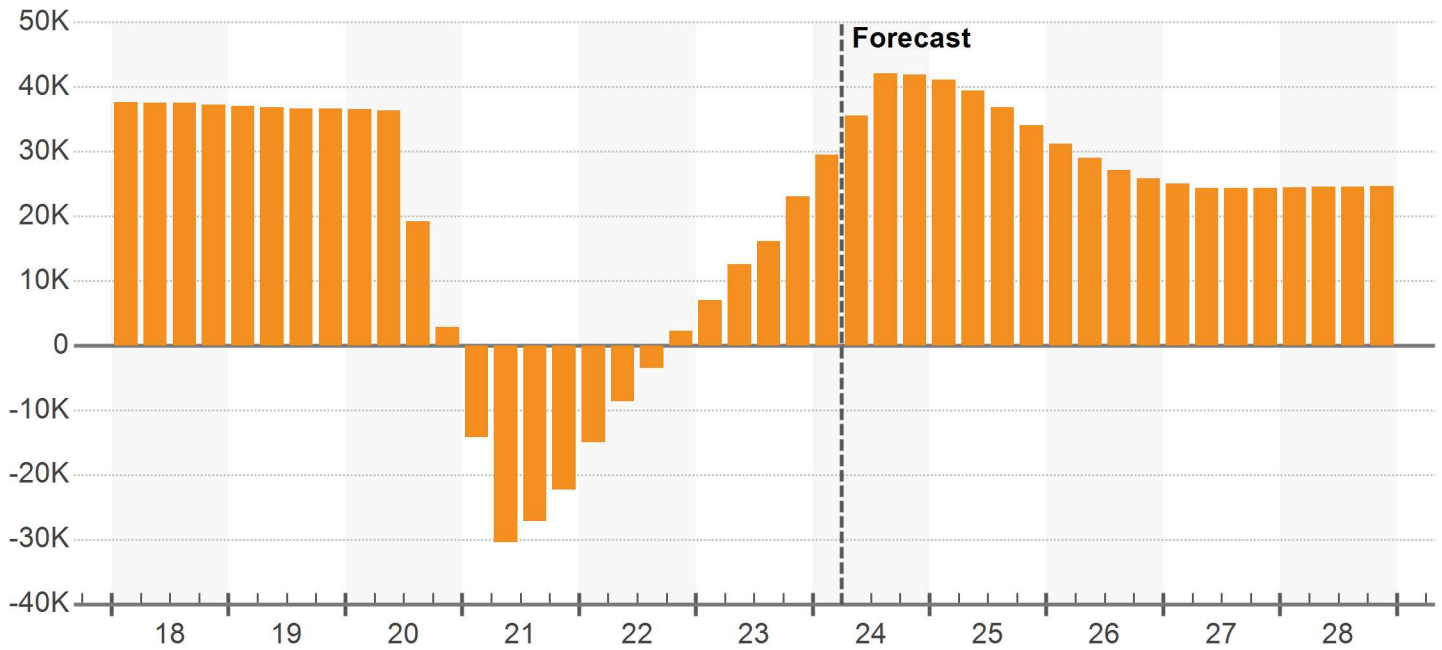
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

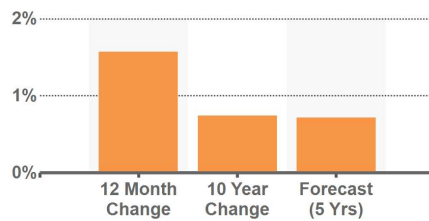
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,947,665	336,121,125	0.7%	0.5%	0.5%	0.5%	0.6%	0.5%
Households	1,972,163	131,309,234	0.8%	0.7%	1.0%	0.9%	0.7%	0.6%
Median Household Income	\$109,060	\$77,356	3.3%	2.0%	4.0%	3.9%	3.6%	3.4%
Labor Force	2,759,908	167,784,188	1.6%	0.7%	0.7%	0.8%	0.7%	0.5%
Unemployment	2.8%	3.8%	0.2%	0.2%	-0.2%	-0.3%	-	-

Source: Oxford Economics

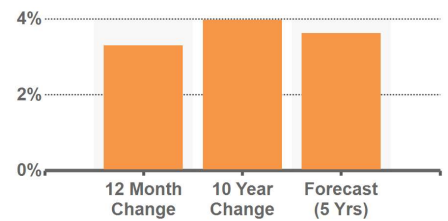
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Amesbury/Ipswich	343	9,174	2.5%	13	1	50	0.5%	13	0	-	-	-
2	Brighton/Fenway	80	2,467	0.7%	29	0	0	0%	-	0	-	-	-
3	Concord/Maynard	535	20,844	5.7%	8	3	139	0.7%	8	1	53	0.3%	12
4	Danvers/Beverly	189	6,656	1.8%	19	1	96	1.4%	11	1	43	0.6%	13
5	Downtown Boston	120	4,927	1.3%	22	0	0	0%	-	0	-	-	-
6	E Cambridge	28	862	0.2%	34	0	0	0%	-	0	-	-	-
7	Essex/Gloucester	141	3,544	1.0%	28	0	0	0%	-	0	-	-	-
8	Framingham/Natick	210	6,192	1.7%	21	1	127	2.0%	9	0	-	-	-
9	Ft Pt Chan/S Boston	90	4,613	1.3%	25	0	0	0%	-	1	268	5.8%	7
10	Groton/Townsend	232	8,091	2.2%	16	1	5	0.1%	18	1	11	0.1%	16
11	Hopkinton/Holliston	202	7,702	2.1%	18	1	2	0%	20	0	-	-	-
12	I-95 Corridor South	549	23,900	6.5%	5	8	613	2.6%	3	5	380	1.6%	5
13	Lawrence/Andover	533	33,909	9.2%	1	2	3,948	11.6%	1	1	197	0.6%	9
14	Lexington/Arlington	71	2,346	0.6%	30	0	0	0%	-	2	345	14.7%	6
15	Lowell/Chelmsford	596	27,158	7.4%	4	2	187	0.7%	6	3	140	0.5%	10
16	Medford/Malden	211	4,887	1.3%	23	0	0	0%	-	0	-	-	-
17	Mid-Cambridge	37	1,036	0.3%	33	0	0	0%	-	0	-	-	-
18	Newton/Dover	157	3,975	1.1%	27	2	23	0.6%	16	0	-	-	-
19	Peabody/Salem	223	9,201	2.5%	12	0	0	0%	-	0	-	-	-
20	Quincy/Braintree	259	9,965	2.7%	11	0	0	0%	-	2	400	4.0%	4
21	Reading/Melrose	78	1,798	0.5%	31	1	94	5.2%	12	0	-	-	-
22	Rockingham	812	29,521	8.1%	2	4	224	0.8%	5	4	410	1.4%	3
23	Route 1 South	386	17,893	4.9%	9	0	0	0%	-	0	-	-	-
24	Route 24	604	21,451	5.9%	7	2	164	0.8%	7	1	120	0.6%	11
25	Route 3 Corridor	267	6,330	1.7%	20	1	3	0.1%	19	1	20	0.3%	15
26	Route 3 South	690	22,187	6.1%	6	8	767	3.5%	2	3	483	2.2%	2
27	Roxbury/Dorchester	384	8,200	2.2%	15	2	113	1.4%	10	1	8	0.1%	17
28	Saugus/Lynn	139	4,848	1.3%	24	0	0	0%	-	0	-	-	-
29	Somerville/Chelsea	416	11,355	3.1%	10	1	41	0.4%	14	4	561	4.9%	1
30	South Suffolk County	116	4,340	1.2%	26	1	19	0.4%	17	0	-	-	-
31	Stafford County	216	8,062	2.2%	17	2	37	0.5%	15	1	40	0.5%	14
32	W Cambridge	67	1,572	0.4%	32	0	0	0%	-	0	-	-	-
33	Waltham/Watertown	320	8,251	2.3%	14	0	0	0%	-	0	-	-	-
34	Wilmington/Winchester	731	29,334	8.0%	3	4	478	1.6%	4	1	238	0.8%	8

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Amesbury/Ipswich	\$14.80	24	6.8%	21	6.8%	22
2	Brighton/Fenway	\$36.97	3	7.3%	4	7.4%	5
3	Concord/Maynard	\$15.19	20	7.1%	8	6.9%	16
4	Danvers/Beverly	\$18.40	14	7.2%	6	7.2%	8
5	Downtown Boston	\$25.99	7	7.0%	16	7.0%	15
6	E Cambridge	\$37.14	2	7.4%	1	7.5%	3
7	Essex/Gloucester	\$16.16	17	6.5%	27	6.5%	30
8	Framingham/Natick	\$16.08	18	7.0%	13	7.2%	11
9	Ft Pt Chan/S Boston	\$22.31	9	6.9%	18	6.9%	18
10	Groton/Townsend	\$12.98	31	6.4%	30	6.5%	29
11	Hopkinton/Holliston	\$12.95	32	6.9%	17	7.2%	10
12	I-95 Corridor South	\$13.37	28	6.7%	24	6.7%	24
13	Lawrence/Andover	\$13.48	27	7.0%	15	6.8%	21
14	Lexington/Arlington	\$33.40	4	7.4%	2	7.6%	2
15	Lowell/Chelmsford	\$14.94	22	7.0%	11	7.1%	12
16	Medford/Malden	\$20.33	11	6.7%	23	6.8%	19
17	Mid-Cambridge	\$45.32	1	7.4%	3	7.7%	1
18	Newton/Dover	\$25.43	8	7.1%	7	7.3%	6
19	Peabody/Salem	\$16.22	16	7.1%	9	7.4%	4
20	Quincy/Braintree	\$14.95	21	6.9%	19	6.7%	23
21	Reading/Melrose	\$19.27	13	6.9%	20	6.9%	17
22	Rockingham	\$13.37	29	6.6%	25	6.8%	20
23	Route 1 South	\$14.67	25	7.0%	14	7.1%	14
24	Route 24	\$11.86	33	6.7%	22	6.7%	25
25	Route 3 Corridor	\$14.45	26	6.6%	26	6.2%	33
26	Route 3 South	\$13.16	30	6.5%	28	6.6%	27
27	Roxbury/Dorchester	\$21.79	10	6.3%	32	6.2%	34
28	Saugus/Lynn	\$15.20	19	6.4%	31	6.5%	32
29	Somerville/Chelsea	\$19.66	12	6.5%	29	6.6%	26
30	South Suffolk County	\$14.88	23	6.2%	33	6.6%	28
31	Strafford County	\$10.45	34	5.9%	34	6.5%	31
32	W Cambridge	\$32.50	5	7.2%	5	7.2%	7
33	Waltham/Watertown	\$28.24	6	7.0%	12	7.1%	13
34	Wilmington/Winchester	\$18.09	15	7.0%	10	7.2%	9

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Amesbury/Ipswich	264,366	2.9%	5	(2,262)	0%	14	-
2	Brighton/Fenway	597,331	24.2%	34	0	0%	-	-
3	Concord/Maynard	779,393	3.7%	9	(310,862)	-1.5%	31	-
4	Danvers/Beverly	39,913	0.6%	1	180,971	2.7%	4	0.5
5	Downtown Boston	460,528	9.3%	27	(103,391)	-2.1%	20	-
6	E Cambridge	8,500	1.0%	2	0	0%	-	-
7	Essex/Gloucester	150,647	4.3%	11	(60,294)	-1.7%	18	-
8	Framingham/Natick	162,396	2.6%	4	106,642	1.7%	7	1.2
9	Ft Pt Chan/S Boston	210,852	4.6%	14	(125,442)	-2.7%	21	-
10	Groton/Townsend	270,612	3.3%	7	(222,186)	-2.7%	28	-
11	Hopkinton/Holliston	442,092	5.7%	18	138,565	1.8%	5	-
12	I-95 Corridor South	2,348,401	9.8%	30	(501,776)	-2.1%	32	-
13	Lawrence/Andover	1,706,045	5.0%	15	3,682,506	10.9%	1	1.1
14	Lexington/Arlington	124,009	5.3%	17	3,917	0.2%	11	-
15	Lowell/Chelmsford	2,597,613	9.6%	28	(138,877)	-0.5%	25	-
16	Medford/Malden	572,612	11.7%	32	(161,713)	-3.3%	26	-
17	Mid-Cambridge	194,416	18.8%	33	(181,493)	-17.5%	27	-
18	Newton/Dover	172,860	4.3%	12	(64,565)	-1.6%	19	-
19	Peabody/Salem	401,086	4.4%	13	(129,548)	-1.4%	22	-
20	Quincy/Braintree	381,422	3.8%	10	(52,727)	-0.5%	16	-
21	Reading/Melrose	134,813	7.5%	25	(37,718)	-2.1%	15	-
22	Rockingham	1,811,479	6.1%	22	(708,089)	-2.4%	34	-
23	Route 1 South	1,040,041	5.8%	19	(273,835)	-1.5%	30	-
24	Route 24	1,495,718	7.0%	24	(131,555)	-0.6%	23	-
25	Route 3 Corridor	185,524	2.9%	6	19,896	0.3%	9	0.2
26	Route 3 South	2,331,165	10.5%	31	(631,307)	-2.8%	33	-
27	Roxbury/Dorchester	430,554	5.3%	16	16,031	0.2%	10	7.0
28	Saugus/Lynn	103,471	2.1%	3	198,195	4.1%	3	-
29	Somerville/Chelsea	676,582	6.0%	20	68,575	0.6%	8	-
30	South Suffolk County	420,672	9.7%	29	128,927	3.0%	6	0.1
31	Stafford County	288,555	3.6%	8	278,447	3.5%	2	0.1
32	W Cambridge	94,244	6.0%	21	(56,836)	-3.6%	17	-
33	Waltham/Watertown	675,166	8.2%	26	(137,191)	-1.7%	24	-
34	Wilmington/Winchester	1,920,748	6.5%	23	(262,155)	-0.9%	29	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	365,608,951	142,454	0%	301,641	0.1%	0.5
2027	365,466,497	(384,536)	-0.1%	291,736	0.1%	-
2026	365,851,033	(939,952)	-0.3%	376,871	0.1%	-
2025	366,790,985	(258,655)	-0.1%	(767,523)	-0.2%	-
2024	367,049,640	5,636,660	1.6%	292,029	0.1%	19.3
YTD	366,507,272	5,094,292	1.4%	1,351,224	0.4%	3.8
2023	361,412,980	3,210,582	0.9%	(1,208,231)	-0.3%	-
2022	358,202,398	1,607,646	0.5%	2,369,130	0.7%	0.7
2021	356,594,752	(410,637)	-0.1%	1,521,545	0.4%	-
2020	357,005,389	(136,575)	0%	(925,397)	-0.3%	-
2019	357,141,964	447,588	0.1%	912,666	0.3%	0.5
2018	356,694,376	497,948	0.1%	2,938,943	0.8%	0.2
2017	356,196,428	(532,232)	-0.1%	(36,303)	0%	-
2016	356,728,660	(1,672,601)	-0.5%	2,565,430	0.7%	-
2015	358,401,261	(772,269)	-0.2%	837,698	0.2%	-
2014	359,173,530	(914,605)	-0.3%	3,893,631	1.1%	-
2013	360,088,135	(1,961,381)	-0.5%	3,687,996	1.0%	-
2012	362,049,516	(2,115,616)	-0.6%	(785,895)	-0.2%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	82,004,342	(372,586)	-0.5%	(238,079)	-0.3%	-
2027	82,376,928	(392,884)	-0.5%	(146,328)	-0.2%	-
2026	82,769,812	(413,418)	-0.5%	(363,119)	-0.4%	-
2025	83,183,230	(444,038)	-0.5%	(705,246)	-0.8%	-
2024	83,627,268	(100,528)	-0.1%	(939,880)	-1.1%	-
YTD	83,852,398	124,602	0.1%	(326,995)	-0.4%	-
2023	83,727,796	(339,250)	-0.4%	(815,822)	-1.0%	-
2022	84,067,046	(579,480)	-0.7%	246,663	0.3%	-
2021	84,646,526	(155,478)	-0.2%	(543,147)	-0.6%	-
2020	84,802,004	(552,315)	-0.6%	(337,593)	-0.4%	-
2019	85,354,319	618,370	0.7%	323,075	0.4%	1.9
2018	84,735,949	(371,611)	-0.4%	1,237,150	1.5%	-
2017	85,107,560	(584,318)	-0.7%	93,057	0.1%	-
2016	85,691,878	(272,049)	-0.3%	(38,590)	0%	-
2015	85,963,927	(1,364,811)	-1.6%	(26,558)	0%	-
2014	87,328,738	(147,429)	-0.2%	1,392,820	1.6%	-
2013	87,476,167	(1,130,643)	-1.3%	847,276	1.0%	-
2012	88,606,810	(1,140,719)	-1.3%	(591,346)	-0.7%	-

Supply & Demand Trends

Boston Industrial

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	181,216,687	732,829	0.4%	749,929	0.4%	1.0
2027	180,483,858	302,169	0.2%	596,146	0.3%	0.5
2026	180,181,689	(201,879)	-0.1%	916,543	0.5%	-
2025	180,383,568	435,364	0.2%	531,826	0.3%	0.8
2024	179,948,204	5,388,437	3.1%	2,834,112	1.6%	1.9
YTD	179,500,500	4,940,733	2.8%	2,802,536	1.6%	1.8
2023	174,559,767	3,124,927	1.8%	(20,631)	0%	-
2022	171,434,840	1,463,631	0.9%	1,539,636	0.9%	1.0
2021	169,971,209	(592,990)	-0.3%	1,730,167	1.0%	-
2020	170,564,199	1,058,001	0.6%	(93,974)	-0.1%	-
2019	169,506,198	(14,447)	0%	672,448	0.4%	-
2018	169,520,645	1,396,684	0.8%	1,422,455	0.8%	1.0
2017	168,123,961	(3,788)	0%	(105,100)	-0.1%	-
2016	168,127,749	(1,394,662)	-0.8%	1,614,911	1.0%	-
2015	169,522,411	998,431	0.6%	354,554	0.2%	2.8
2014	168,523,980	(640,315)	-0.4%	1,131,417	0.7%	-
2013	169,164,295	(603,485)	-0.4%	2,238,832	1.3%	-
2012	169,767,780	(1,033,192)	-0.6%	(493,368)	-0.3%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	102,387,922	(217,789)	-0.2%	(210,209)	-0.2%	-
2027	102,605,711	(293,821)	-0.3%	(158,082)	-0.2%	-
2026	102,899,532	(324,655)	-0.3%	(176,553)	-0.2%	-
2025	103,224,187	(249,981)	-0.2%	(594,103)	-0.6%	-
2024	103,474,168	348,751	0.3%	(1,602,203)	-1.5%	-
YTD	103,154,374	28,957	0%	(1,124,317)	-1.1%	-
2023	103,125,417	424,905	0.4%	(371,778)	-0.4%	-
2022	102,700,512	723,495	0.7%	582,831	0.6%	1.2
2021	101,977,017	337,831	0.3%	334,525	0.3%	1.0
2020	101,639,186	(642,261)	-0.6%	(493,830)	-0.5%	-
2019	102,281,447	(156,335)	-0.2%	(82,857)	-0.1%	-
2018	102,437,782	(527,125)	-0.5%	279,338	0.3%	-
2017	102,964,907	55,874	0.1%	(24,260)	0%	-
2016	102,909,033	(5,890)	0%	989,109	1.0%	-
2015	102,914,923	(405,889)	-0.4%	509,702	0.5%	-
2014	103,320,812	(126,861)	-0.1%	1,369,394	1.3%	-
2013	103,447,673	(227,253)	-0.2%	601,888	0.6%	-
2012	103,674,926	58,295	0.1%	298,819	0.3%	0.2

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$19.72	236	3.8%	26.3%	23,539,441	6.4%	0%
2027	\$19	227	4.3%	21.7%	23,679,147	6.5%	-0.2%
2026	\$18.21	218	4.8%	16.7%	24,336,719	6.7%	-0.3%
2025	\$17.38	208	4.9%	11.3%	25,635,572	7.0%	0.1%
2024	\$16.57	198	6.2%	6.2%	25,107,717	6.8%	1.4%
YTD	\$16.01	191	6.8%	2.6%	23,485,426	6.4%	0.9%
2023	\$15.61	187	7.8%	0%	19,742,358	5.5%	1.2%
2022	\$14.48	173	9.4%	-7.2%	15,323,545	4.3%	-0.2%
2021	\$13.24	158	7.9%	-15.2%	16,085,029	4.5%	-0.5%
2020	\$12.27	147	5.9%	-21.4%	18,020,411	5.0%	0.2%
2019	\$11.59	138	6.3%	-25.8%	17,219,589	4.8%	-0.2%
2018	\$10.90	130	6.4%	-30.2%	17,873,290	5.0%	-0.7%
2017	\$10.24	122	5.8%	-34.4%	20,298,485	5.7%	-0.1%
2016	\$9.69	116	4.6%	-38.0%	20,759,732	5.8%	-1.2%
2015	\$9.26	111	4.9%	-40.7%	25,024,045	7.0%	-0.4%
2014	\$8.83	105	3.9%	-43.5%	26,610,386	7.4%	-1.3%
2013	\$8.50	102	2.9%	-45.6%	31,440,748	8.7%	-1.5%
2012	\$8.25	99	1.8%	-47.1%	37,090,225	10.2%	-0.3%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$17.82	234	4.0%	28.5%	3,186,585	3.9%	-0.1%
2027	\$17.13	225	4.5%	23.6%	3,316,146	4.0%	-0.3%
2026	\$16.39	215	5.0%	18.2%	3,558,205	4.3%	0%
2025	\$15.61	205	5.1%	12.6%	3,604,286	4.3%	0.3%
2024	\$14.85	195	7.1%	7.1%	3,338,569	4.0%	1.0%
YTD	\$14.33	188	6.7%	3.4%	2,948,873	3.5%	0.5%
2023	\$13.87	182	5.6%	0%	2,497,276	3.0%	0.6%
2022	\$13.14	172	9.4%	-5.3%	2,020,704	2.4%	-1.0%
2021	\$12.01	158	8.6%	-13.4%	2,846,847	3.4%	0.5%
2020	\$11.06	145	7.0%	-20.3%	2,459,178	2.9%	-0.2%
2019	\$10.34	136	6.2%	-25.5%	2,673,900	3.1%	0.1%
2018	\$9.73	128	6.7%	-29.8%	2,532,228	3.0%	-1.9%
2017	\$9.12	120	7.2%	-34.2%	4,140,989	4.9%	-0.8%
2016	\$8.51	112	3.6%	-38.6%	4,818,364	5.6%	-0.3%
2015	\$8.22	108	5.3%	-40.7%	5,051,823	5.9%	-1.4%
2014	\$7.81	102	3.6%	-43.7%	6,390,076	7.3%	-1.7%
2013	\$7.54	99	1.8%	-45.6%	7,930,325	9.1%	-2.1%
2012	\$7.41	97	1.0%	-46.6%	9,908,244	11.2%	-0.5%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$17.81	252	3.8%	26.2%	10,167,398	5.6%	0%
2027	\$17.15	243	4.4%	21.5%	10,174,879	5.6%	-0.2%
2026	\$16.43	233	4.9%	16.4%	10,459,502	5.8%	-0.6%
2025	\$15.66	222	5.0%	11.0%	11,568,199	6.4%	-0.1%
2024	\$14.92	211	5.8%	5.8%	11,654,435	6.5%	1.3%
YTD	\$14.42	204	6.2%	2.2%	11,223,137	6.3%	1.0%
2023	\$14.11	200	8.8%	0%	9,084,940	5.2%	1.7%
2022	\$12.97	184	11.2%	-8.1%	5,939,382	3.5%	-0.1%
2021	\$11.67	165	9.4%	-17.3%	6,015,387	3.5%	-1.3%
2020	\$10.66	151	6.5%	-24.4%	8,338,544	4.9%	0.7%
2019	\$10.01	142	6.9%	-29.1%	7,155,569	4.2%	-0.4%
2018	\$9.37	133	6.5%	-33.6%	7,873,464	4.6%	-0.1%
2017	\$8.80	125	5.3%	-37.7%	7,899,235	4.7%	0.1%
2016	\$8.35	118	5.3%	-40.8%	7,781,823	4.6%	-1.7%
2015	\$7.93	112	6.1%	-43.8%	10,796,896	6.4%	0.4%
2014	\$7.48	106	4.6%	-47.0%	10,130,093	6.0%	-1.0%
2013	\$7.15	101	3.3%	-49.3%	11,924,751	7.0%	-1.6%
2012	\$6.92	98	1.7%	-50.9%	14,767,068	8.7%	-0.3%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.60	219	3.6%	25.2%	10,185,458	9.9%	0%
2027	\$23.75	211	4.1%	20.9%	10,188,122	9.9%	-0.1%
2026	\$22.81	203	4.6%	16.1%	10,319,012	10.0%	-0.1%
2025	\$21.82	194	4.7%	11.1%	10,463,087	10.1%	0.4%
2024	\$20.85	185	6.1%	6.1%	10,114,713	9.8%	1.9%
YTD	\$20.16	179	7.7%	2.6%	9,313,416	9.0%	1.1%
2023	\$19.64	175	7.9%	0%	8,160,142	7.9%	0.7%
2022	\$18.20	162	7.2%	-7.4%	7,363,459	7.2%	0.1%
2021	\$16.98	151	5.7%	-13.5%	7,222,795	7.1%	0%
2020	\$16.06	143	4.6%	-18.2%	7,222,689	7.1%	-0.1%
2019	\$15.35	136	5.6%	-21.9%	7,390,120	7.2%	-0.1%
2018	\$14.53	129	6.2%	-26.0%	7,467,598	7.3%	-0.7%
2017	\$13.68	122	5.5%	-30.3%	8,258,261	8.0%	0.1%
2016	\$12.97	115	4.5%	-34.0%	8,159,545	7.9%	-1.0%
2015	\$12.41	110	3.3%	-36.8%	9,175,326	8.9%	-0.9%
2014	\$12.01	107	3.3%	-38.9%	10,090,217	9.8%	-1.4%
2013	\$11.62	103	3.1%	-40.8%	11,585,672	11.2%	-0.8%
2012	\$11.27	100	2.2%	-42.6%	12,414,913	12.0%	-0.2%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$247.87	391	6.6%
2027	-	-	-	-	-	-	\$230.37	364	6.8%
2026	-	-	-	-	-	-	\$211.72	334	7.1%
2025	-	-	-	-	-	-	\$194.29	307	7.3%
2024	-	-	-	-	-	-	\$185.76	293	7.3%
YTD	112	\$511.7M	1.1%	\$6,091,257	\$166.87	6.8%	\$184.71	292	7.1%
2023	334	\$2.1B	4.0%	\$8,290,096	\$187.21	7.5%	\$181.24	286	7.1%
2022	506	\$4.1B	4.8%	\$8,982,743	\$245.50	6.4%	\$180.99	286	6.4%
2021	623	\$4.7B	8.7%	\$8,304,603	\$166.91	5.9%	\$167.28	264	6.1%
2020	515	\$4.2B	6.9%	\$9,265,830	\$176.65	7.0%	\$133.23	210	6.8%
2019	476	\$2.5B	5.8%	\$6,183,229	\$136.76	6.8%	\$112.93	178	7.3%
2018	464	\$1.7B	5.5%	\$4,789,501	\$101.07	7.3%	\$102.44	162	7.4%
2017	346	\$1.4B	4.6%	\$4,737,385	\$90.95	7.7%	\$93.72	148	7.5%
2016	444	\$1.8B	5.9%	\$4,455,145	\$89.85	8.4%	\$91.49	144	7.1%
2015	481	\$1.3B	5.8%	\$2,836,473	\$65.49	7.8%	\$86.88	137	7.1%
2014	368	\$954.8M	4.2%	\$2,712,475	\$66.47	6.7%	\$77.94	123	7.5%
2013	351	\$828.5M	3.6%	\$2,580,866	\$67.53	8.3%	\$70.71	112	7.8%

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

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

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$224.35	393	6.7%
2027	-	-	-	-	-	-	\$208.33	365	6.9%
2026	-	-	-	-	-	-	\$191.30	335	7.1%
2025	-	-	-	-	-	-	\$175.39	307	7.4%
2024	-	-	-	-	-	-	\$167.39	293	7.3%
YTD	22	\$164.4M	1.1%	\$9,131,439	\$201.75	6.0%	\$166.29	291	7.2%
2023	76	\$333.4M	3.6%	\$5,748,189	\$151.98	7.8%	\$163.19	286	7.1%
2022	114	\$599M	4.4%	\$5,760,029	\$167.86	5.9%	\$163.23	286	6.4%
2021	110	\$711.9M	6.4%	\$6,780,396	\$133.03	4.4%	\$152.02	266	6.1%
2020	107	\$567.9M	5.4%	\$6,310,215	\$129.41	7.6%	\$119.93	210	6.8%
2019	80	\$425.2M	4.1%	\$6,346,465	\$142.51	6.1%	\$101.95	179	7.3%
2018	85	\$200.2M	3.8%	\$3,033,033	\$66.94	7.6%	\$92.59	162	7.4%
2017	68	\$200.4M	3.6%	\$3,232,254	\$67.68	7.7%	\$84.10	147	7.5%
2016	91	\$325M	5.8%	\$3,651,742	\$65.68	8.2%	\$82.28	144	7.2%
2015	109	\$266.5M	5.6%	\$2,514,482	\$60.25	7.8%	\$78.55	138	7.1%
2014	91	\$222.2M	4.2%	\$2,525,337	\$70.49	6.8%	\$70.45	123	7.6%
2013	70	\$104.5M	2.6%	\$1,559,806	\$46.48	8.8%	\$63.98	112	7.9%

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

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

LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$239.84	400	6.6%
2027	-	-	-	-	-	-	\$222.67	372	6.8%
2026	-	-	-	-	-	-	\$204.42	341	7.0%
2025	-	-	-	-	-	-	\$187.37	313	7.3%
2024	-	-	-	-	-	-	\$179.07	299	7.3%
YTD	62	\$203.1M	1.0%	\$4,615,682	\$182.79	7.6%	\$178.18	297	7.1%
2023	173	\$1B	5.0%	\$7,747,558	\$158.88	8.8%	\$174.74	292	7.0%
2022	261	\$1.5B	4.7%	\$6,395,621	\$192.12	6.5%	\$174.74	292	6.4%
2021	341	\$2.1B	9.2%	\$7,105,176	\$159.48	6.0%	\$162.55	271	6.0%
2020	280	\$2.1B	8.1%	\$8,660,413	\$159.63	6.4%	\$129.04	215	6.7%
2019	286	\$1B	6.4%	\$4,375,156	\$111.87	6.9%	\$107.71	180	7.3%
2018	247	\$767.7M	5.4%	\$4,061,829	\$95.17	6.8%	\$97.55	163	7.4%
2017	172	\$561.2M	4.3%	\$3,766,236	\$79.67	7.5%	\$89.10	149	7.4%
2016	218	\$723.4M	6.1%	\$3,546,128	\$74.79	8.4%	\$87.06	145	7.1%
2015	248	\$577.8M	6.3%	\$2,479,903	\$57.32	7.0%	\$82.45	138	7.1%
2014	179	\$338.3M	3.6%	\$2,013,655	\$56.66	7.5%	\$73.74	123	7.5%
2013	189	\$344M	3.9%	\$2,011,533	\$54.72	8.2%	\$66.57	111	7.8%

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

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

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$280.86	377	6.6%
2027	-	-	-	-	-	-	\$261.59	351	6.9%
2026	-	-	-	-	-	-	\$240.97	324	7.1%
2025	-	-	-	-	-	-	\$221.61	298	7.3%
2024	-	-	-	-	-	-	\$212.27	285	7.3%
YTD	28	\$144.2M	1.2%	\$6,554,983	\$126.43	-	\$210.99	283	7.1%
2023	85	\$750.7M	2.8%	\$11,729,638	\$287.81	6.8%	\$207.14	278	7.1%
2022	131	\$2B	5.4%	\$16,887,720	\$374.82	6.7%	\$206.25	277	6.5%
2021	172	\$1.8B	9.7%	\$11,652,477	\$197.46	6.7%	\$187.84	252	6.2%
2020	128	\$1.5B	5.9%	\$12,863,455	\$249.69	7.3%	\$151.28	203	6.8%
2019	110	\$1B	6.2%	\$10,432,223	\$172.74	7.1%	\$130.93	176	7.3%
2018	132	\$751.6M	6.9%	\$7,226,587	\$126.20	8.1%	\$118.94	160	7.4%
2017	106	\$645.4M	5.7%	\$7,505,051	\$118.11	7.8%	\$109.54	147	7.5%
2016	135	\$755.9M	5.8%	\$6,749,272	\$138.44	8.5%	\$106.67	143	7.2%
2015	124	\$437.7M	5.1%	\$3,873,745	\$86.27	8.3%	\$101.35	136	7.1%
2014	98	\$394.3M	5.1%	\$4,106,954	\$75.22	5.9%	\$91.33	123	7.5%
2013	92	\$380M	4.0%	\$4,578,056	\$101.75	8.3%	\$83.37	112	7.8%

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

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