

	YoY Chg	12-Mo. Forecast
4.1% Vacancy Rate	▲	▲
44.9M Net Absorption, SF	▼	▼
\$9.59 Asking Rent, PSF	▲	▲
16.1% Rent Growth	▲	▼
624.3M Under Construction	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS Q2 2023

	YoY Chg	12-Mo. Forecast*
155.9M Total Nonfarm Employment	▲	▼
43.0M Industrial Employment	▲	▼
3.6% U.S. Unemployment Rate	▲	▲

Source: BLS, *Cushman & Wakefield baseline

Industrial Market Cooling but Fundamentals Remain Healthy

Demand Normalizing: Following two years of record-setting demand and cumulative rent growth of 30% or more, the industrial sector appears to be reverting to the norm. In the second quarter, net absorption registered 44.9 million square feet (msf), down from 71.4 msf observed in the previous quarter and down from 126 msf recorded one year prior. To be clear, demand for industrial space remains historically healthy. Absorption levels in the first half of 2023 were roughly on par with what was observed in the years leading up to the pandemic—which were historically strong years for absorption—just not when compared to the e-commerce/consumption boom that followed the pandemic. Regionally, the South accounted for 61% of the second-quarter absorption total, led by Savannah, Dallas and Houston—all of which achieved more than 3 msf of net absorption. In total, 21 markets posted at least 1 msf of net growth, signaling that although moderating from historic highs, the industrial market is still very healthy.

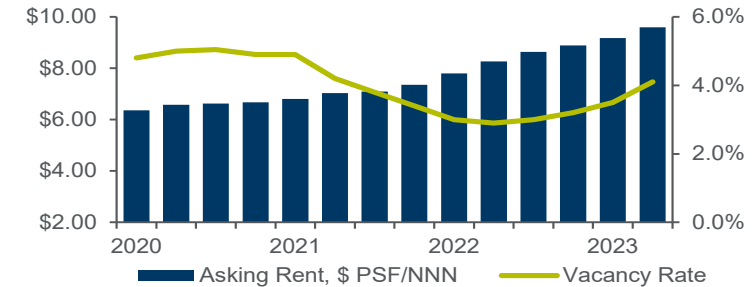
Leasing activity is also showing signs of cooling off, which is unsurprising given the economic headwinds. In the second quarter, gross new leasing registered 141.1 msf, which was down 8.9% from the first quarter. Although trending lower from the post-pandemic boom in 2021 and 2022, the activity observed in the second quarter was on par with the quarterly average of 137.8 msf observed from 2015-2019. Despite the slowdown nationally, there were notable surges in new deal activity within the Columbus, Baltimore, Charlotte and Denver markets, all of which at least doubled the first quarter totals. Meanwhile, 16 out of the 83 markets tracked by Cushman & Wakefield posted leasing totals of 3 msf or higher during the quarter. This included Dallas/Fort Worth, which posted 11.5 msf, and was the only market to surpass 10 msf. Though moderating from the first quarter, year-to-date (YTD) new leasing volume came in at 295.9 msf, putting the market on pace to eclipse 500 msf for the eighth consecutive year.

The influx of vacant sublease space in some markets helped to temper the absorption totals. Vacant subleases rose by 38% quarter-over-quarter (QoQ) to 66.8 msf, up from 48.4 msf in the first quarter. Even though this is a large percentage increase, the sublease rate is still only 0.4%—up from 0.3% in the first quarter and from 0.2% one year ago. The current sublease rate is marginally higher than its long-term average of 0.3% and below where sublease rates typically peak during periods of economic softness—usually between 0.4% and 0.7%. Some tenants who place space on the market for sublease are seeking short-term subleases in hopes of re-occupying the space once there is more clarity on economic conditions. Markets with notable increases in sublease space in the second quarter included the Inland Empire, Dallas/Fort Worth, Atlanta and New Jersey.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



Vacancy Rises Amid Brisk Industrial Deliveries: New industrial supply continued to deliver at a rapid pace with 139.5 msf of new developments completed throughout the second quarter. As a result, the U.S. industrial vacancy rate pushed higher by 60 basis points (bps). At 4.1%, the national vacancy rate surpassed the 4% mark for the first time since mid-year 2021, although it remains 110 bps below the 10-year historical average of 5.2%. Despite recent upticks in vacancy over the last three quarters, most markets remain historically tight. In fact 24 markets currently register rates at 3% or lower, five of which boast rates at 2% or less. All things considered, the U.S. industrial market is still historically tight, with vacancy well below pre-pandemic levels. That said, the still-elevated pipeline contributed 50 bps of vacancy QoQ (the other 10 bps came from sublease space), meaning that the construction side of the market will be a key factor driving vacancies in the quarters ahead.

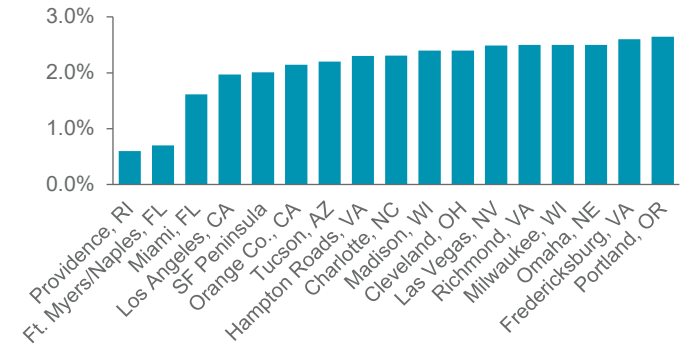
Future Construction Pipeline Slowing: Given slowing demand, developers are beginning to tap the brakes on future projects. The industrial construction pipeline declined by 5.1% QoQ to 624.3 msf. It is down by 12.7% since it peaked at 715 msf in the third quarter of 2022. Of the industrial facilities under development, 83% are being built on a speculative basis, and just 19% of that space has been pre-leased by tenants. Five of the top 10 construction pipelines reside in the South region: Dallas/Fort Worth, Atlanta, Houston, Savannah and Charlotte currently boast 20 msf or more product underway. Meanwhile, the number of construction starts fell for the third straight quarter and are down 31.4% since the close of 2022.

New Class A Supply Pushes Rents Higher: Asking rental rate growth persisted at a healthy pace during the second quarter, increasing by 4.6% QoQ to \$9.59 per square foot (psf). Annual rent growth moderated over the last three quarters after peaking at 21.9% in the third quarter of 2022, coming in at 16.1% mid-year. The Northeast drove asking rent growth, both on a YoY (+26.2%) and QoQ (6.4%) basis, while both the West (+13.3%) and South (+12.1%) surpassed double-digit annual rent growth. There were 20 markets that registered quarterly increases of at least 5%, some of which were fueled by healthy delivery totals of Class A speculative logistics space priced at a premium. While market conditions have begun to soften, many landlords—especially institutional owners—have been holding firm on pricing.

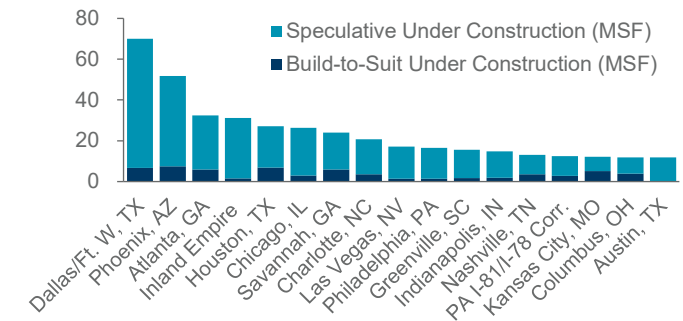
Outlook

- Construction completions will outpace demand throughout the second half of 2023 and 2024. As a result, vacancy will climb further, surpassing 5% in 2024 as the industrial market rebalances to more sustainable levels. When compared to the 15-year historical average of 6.6%, vacancy will still be considered historically tight.
- Expect absorption totals to remain slightly below pre-pandemic norms in 2023 and 2024, as softer demand for consumer goods coupled with high inflation and interest rates continues to temper growth. However, net absorption is forecasted to finish well in the black in 2023 and 2024, signaling its resilience amid the current economic headwinds.
- Rents will trend higher, albeit at a more modest pace going forward. Annual growth is projected to decelerate to the 10-11% range in 2023 and will slow further to the 3%-4% range in 2024. However, rents are still expected to cross over the \$10 mark for the first time ever in 2024. New Class A construction in well-located geographies will continue to garner rents well above the market average, especially as the pipeline diminishes over the next two years.

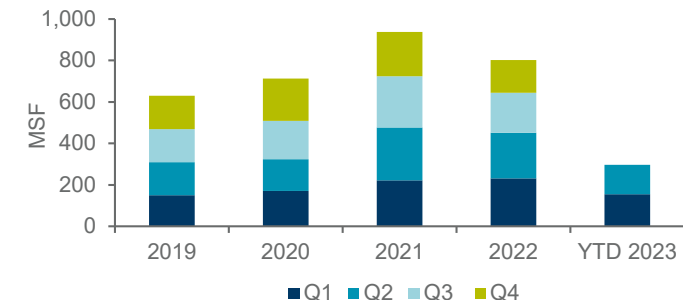
INDUSTRIAL VACANCY, SELECT MARKETS



SPEC VS. BTS CONSTRUCTION, SELECT MARKETS



NEW LEASING ACTIVITY



U.S. Industrial Markets	Net Absorption					Leasing Activity**	
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p	
United States	137,159,105	125,953,116	115,777,256	71,432,482	44,920,294	141,053,542	
Northeast	12,335,959	15,160,906	9,239,279	9,031,538	-223,844	14,033,062	
Midwest	35,989,587	23,283,397	28,760,783	17,638,984	12,798,784	31,692,428	
South	58,833,712	63,738,950	58,515,621	33,058,961	27,301,252	55,060,778	
West	29,999,847	23,769,863	19,261,573	11,702,999	5,044,102	40,267,274	

U.S. Industrial Markets	Net Absorption				Leasing Activity**	
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p
Atlanta, GA	10,716,890	4,388,122	8,907,101	3,678,150	-802,187	6,870,819
Austin, TX	1,719,364	1,794,270	634,361	716,656	974,335	2,432,633
Baltimore, MD	432,922	1,131,414	1,748,790	802,633	1,359,513	3,127,500
Binghamton, NY	99,850	29,718	0	62,125	-23,800	0
Birmingham, AL	-169,087	443,911	86,342	66,617	69,184	270,094
Boise, ID	204,783	149,593	316,379	614,960	218,763	410,161
Boston, MA	557,240	-301,615	945,404	852,014	373,317	777,500
Buffalo, NY	78,717	582,302	-611,344	-523,209	-246,385	306,994
Central Valley, CA	5,370,919	3,440,596	-207,662	882,957	983,836	1,647,439
Charleston, SC	2,917,978	1,543,619	932,685	-75,417	1,654,216	672,146
Charlotte, NC	1,728,641	4,106,059	2,041,843	618,017	1,641,718	3,474,717
Chicago, IL	10,042,942	4,446,420	7,510,989	3,384,374	2,202,428	8,874,927
Cincinnati, OH	4,348,112	1,277,749	2,696,387	725,499	135,422	1,417,409
Cleveland, OH	887,989	614,835	650,241	219,078	2,329,613	1,659,613
Colorado Springs, CO	222,740	-129,667	96,414	82,942	55,094	187,260
Columbia, SC	641,015	1,356,306	-21,827	65,247	924,091	786,674
Columbus, OH	2,098,850	1,127,262	970,666	1,145,791	3,859,973	6,027,123
Dallas/Ft. Worth, TX	10,447,560	8,806,328	10,973,042	5,319,275	3,499,537	11,523,001
Denver, CO	318,991	1,748,529	921,848	765,533	1,228,329	4,306,612
Detroit, MI	2,893,686	887,092	2,455,785	1,776,768	120,629	1,604,445
El Paso, TX	747,518	244,505	104,804	984,850	-307,723	200,932
Fort Myers/Naples, FL	332,538	797,226	190,608	224,247	909,937	219,152
Fredericksburg, VA	1,004,760	721,125	653	40,220	-109,193	26,875
Ft. Lauderdale, FL	102,561	512,728	667,099	300,597	211,000	455,291
Greensboro/Winston-Salem, NC	967,634	450,901	2,943,083	455,521	62,533	712,771
Greenville, SC	2,373,698	2,498,778	3,310,857	1,205,849	-15,638	1,943,708
Hampton Roads, VA	-208,702	684,186	610,659	57,548	64,723	240,331
Hartford, CT	143,577	955,403	932,275	-182,896	365,329	199,615
Houston, TX	9,139,191	7,543,716	6,254,455	6,949,249	3,270,522	5,967,450
Indianapolis, IN	6,567,931	4,936,581	5,090,478	4,403,794	1,941,636	2,781,498
Inland Empire CA	4,955,175	3,033,773	4,692,453	1,631,426	1,085,178	7,594,438
Jacksonville, FL	654,985	1,843,332	570,979	75,329	1,186,422	1,430,132
Kansas City, MO	3,357,965	2,683,464	3,002,440	1,572,865	2,063,261	3,255,743
Lakeland, FL	-107,808	709,181	710,957	-103,065	298,031	208,702
Las Vegas, NV	1,379,605	857,890	1,857,997	2,450,557	3,023,266	2,091,591
Long Island, NY	-81,599	-303,834	192,831	-170,039	-33,581	1,019,971
Los Angeles, CA	1,837,253	1,554,532	-809,255	-2,077,517	-4,157,977	6,505,221
Louisville, KY	1,269,217	766,440	2,156,490	2,046,020	1,283,944	3,698,024
Madison, WI	-323,759	699,846	336,649	1,115,551	102,178	104,293
Memphis, TN	3,010,195	4,079,304	2,293,879	2,149,532	1,013,313	1,394,881
Miami, FL	2,198,900	754,784	950,702	1,151,203	535,207	1,122,858
Milwaukee, WI	438,122	1,669,681	736,217	181,597	292,435	816,528

U.S. Industrial Markets	Net Absorption				Leasing Activity**	
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p
Minneapolis, MN	1,509,840	2,872,509	1,942,299	1,592,808	298,516	3,443,236
Nashville, TN	844,573	3,252,754	2,468,150	1,145,044	762,816	2,185,861
New Haven, CT	-68,173	399,681	82,400	212,406	15,575	232,619
New Jersey - Central	-1,130	-190,355	1,626,485	2,556,804	-1,124,930	3,535,103
New Jersey - Northern	1,052,235	374,781	857,980	-446,188	-2,305,853	1,817,552
Northern VA	346,087	372,098	176,797	-106,805	547,055	90,749
NY Outer Boroughs	163,585	152,576	1,481,905	-127,487	-282,882	737,906
Oakland/East Bay, CA	560,653	1,326,687	797,501	508,653	-495,571	1,373,723
Omaha, NE	3,338,614	1,062,453	197,421	1,518,622	241,171	265,753
Orange County, CA	1,153	652,850	667,432	440,445	-579,106	1,474,313
Orlando, FL	723,274	393,944	1,554,243	873,193	630,553	1,039,292
Palm Beach County, FL	185,880	346,702	-69,588	-18,034	146,346	146,099
PA I-81/I-78 Distribution Corridor	6,432,006	9,334,681	1,946,826	3,027,742	4,528,282	3,231,387
Philadelphia, PA	3,395,911	4,046,340	887,813	2,147,530	-1,429,677	965,659
Phoenix, AZ	6,574,452	4,525,245	3,999,843	4,438,969	2,680,478	5,719,597
Pittsburgh, PA	-106,945	328,484	644,424	570,094	465,458	682,011
Portland, OR	1,117,273	2,954,409	830,454	-619,516	512,059	1,250,492
Providence, RI	14,662	54,505	249,458	87,542	68,481	68,481
Puget Sound - Eastside	336,037	-2,810	107,632	256,376	-309,294	401,644
Raleigh/Durham, NC	-30,947	1,155,209	786,552	101,819	225,605	836,287
Reno, NV	1,301,560	1,606,681	253,909	1,323,115	105,606	638,181
Richmond, VA	767,600	2,869,060	1,828,833	771,148	399,892	457,665
Roanoke, VA	99,743	335,455	379,467	-344,538	11,718	42,153
Rochester, NY	103,554	240,290	-204,541	353,522	-338,301	58,000
Sacramento, CA	-20,106	-585,805	817,507	519,774	-9,809	517,865
Salt Lake City, UT	1,928,881	2,236,640	2,053,443	780,880	1,383,302	1,979,976
San Antonio, TX	1,533,605	1,853,813	162,616	777,356	427,724	1,084,405
San Diego, CA	455,799	215,790	882,841	-179,459	-282,882	615,818
San Francisco North Bay, CA	-245,024	-185,274	-51,023	-201,028	33,020	288,486
San Francisco Peninsula, CA	83,776	95,680	26,017	180,870	88,858	129,711
San Jose (Silicon Valley), CA	276,132	5,340	-5,789	348,287	8,309	385,780
Savannah, GA	3,533,907	7,538,835	2,609,130	2,159,187	4,409,878	473,909
Seattle, WA	2,960,385	233,738	1,422,652	-840,419	-390,158	2,492,838
Southern New Hampshire	204,215	-214,873	83,130	250,032	59,973	250,054
St. Louis, MO	829,295	1,005,505	3,171,211	2,237	-788,478	1,441,860
St. Petersburg/Clearwater, FL	-1,435	-14,817	-23,940	57,029	-92,352	203,120
Suburban MD	459,999	83,364	406,179	121,028	-53,218	375,369
Syracuse, NY	348,254	-327,178	124,233	361,546	-314,850	150,210
Tampa, FL	351,698	463,887	2,118,874	1,373,092	1,405,566	792,164
Tucson, AZ	379,410	35,446	590,980	395,194	-137,199	256,128
Tulsa, OK	99,758	-87,589	50,746	-578,836	756,184	555,014

Overall					
U.S. Industrial Markets	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p
United States	2.9%	3.0%	3.2%	3.5%	4.1%
Northeast	2.8%	3.0%	3.3%	3.4%	4.1%
Midwest	2.9%	3.1%	3.3%	3.5%	3.8%
South	3.3%	3.4%	3.6%	4.1%	4.7%
West	2.2%	2.4%	2.5%	2.9%	3.4%

Overall					
U.S. Industrial Markets	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p
Atlanta, GA	2.7%	2.9%	3.1%	3.8%	4.7%
Austin, TX	3.7%	2.8%	4.3%	6.1%	7.1%
Baltimore, MD	2.8%	3.0%	3.0%	3.5%	3.2%
Binghamton, NY	3.7%	3.5%	3.5%	3.0%	3.1%
Birmingham, AL	4.8%	7.8%	7.3%	10.5%	11.3%
Boise, ID	1.0%	1.2%	2.9%	2.6%	4.8%
Boston, MA	4.8%	5.1%	5.1%	5.4%	5.8%
Buffalo, NY	5.4%	4.5%	4.9%	5.4%	5.6%
Central Valley, CA	4.4%	4.2%	4.6%	4.7%	5.7%
Charleston, SC	1.7%	1.2%	1.2%	1.7%	3.1%
Charlotte, NC	1.8%	2.1%	2.0%	2.1%	2.3%
Chicago, IL	3.4%	3.6%	3.7%	3.9%	4.1%
Cincinnati, OH	1.9%	1.7%	1.7%	2.4%	3.5%
Cleveland, OH	3.1%	3.0%	3.0%	3.0%	2.4%
Colorado Springs, CO	4.9%	5.0%	4.9%	4.6%	4.4%
Columbia, SC	3.8%	4.0%	3.9%	4.5%	4.7%
Columbus, OH	1.8%	3.6%	3.7%	4.8%	5.0%
Dallas/Ft. Worth, TX	4.5%	4.6%	4.9%	5.8%	6.8%
Denver, CO	5.8%	6.5%	6.7%	6.7%	6.9%
Detroit, MI	2.7%	3.1%	2.6%	2.4%	2.8%
El Paso, TX	2.2%	2.8%	2.7%	3.9%	5.2%
Fort Myers/Naples, FL	1.0%	0.7%	0.5%	0.6%	0.7%
Fredericksburg, VA	2.9%	2.2%	2.0%	1.7%	2.6%
Ft. Lauderdale, FL	3.9%	3.7%	3.7%	3.4%	3.2%
Greensboro/Winston-Salem, NC	2.8%	2.6%	2.6%	2.6%	2.9%
Greenville, SC	2.5%	2.2%	2.5%	4.2%	5.2%
Hampton Roads, VA	1.5%	1.6%	1.3%	2.0%	2.3%
Hartford, CT	5.5%	4.5%	4.2%	4.4%	4.1%
Houston, TX	5.4%	5.6%	5.4%	5.4%	6.1%
Indianapolis, IN	3.2%	3.9%	5.2%	6.4%	7.6%
Inland Empire CA	0.5%	0.7%	1.0%	1.9%	3.4%
Jacksonville, FL	2.9%	2.5%	2.0%	2.8%	3.1%
Kansas City, MO	4.6%	4.4%	4.6%	4.4%	4.8%
Lakeland, FL	5.2%	4.3%	3.8%	4.6%	5.2%
Las Vegas, NV	1.4%	1.4%	2.0%	2.8%	2.5%
Long Island, NY	2.3%	3.0%	2.8%	3.1%	3.4%
Los Angeles, CA	0.8%	0.9%	1.2%	1.5%	2.0%
Louisville, KY	1.4%	2.2%	3.9%	3.0%	2.7%
Madison, WI	1.8%	1.6%	1.5%	2.0%	2.4%
Memphis, TN	4.4%	4.7%	4.5%	5.9%	6.7%
Miami, FL	1.7%	1.7%	2.0%	1.6%	1.6%
Milwaukee, WI	2.7%	2.1%	2.3%	2.5%	2.5%

Overall					
U.S. Industrial Markets	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p
Minneapolis, MN	3.2%	3.0%	3.0%	3.1%	3.1%
Nashville, TN	3.0%	2.8%	3.0%	3.5%	3.7%
New Haven, CT	4.6%	3.8%	3.6%	3.2%	3.1%
New Jersey - Central	1.3%	2.6%	2.9%	2.9%	3.7%
New Jersey - Northern	2.1%	2.4%	2.4%	2.9%	4.2%
Northern VA	3.9%	3.8%	4.0%	4.2%	3.8%
NY Outer Boroughs	3.4%	3.4%	3.9%	4.0%	4.2%
Oakland/East Bay, CA	3.8%	3.2%	3.1%	2.8%	3.5%
Omaha, NE	3.1%	2.3%	2.2%	2.8%	2.5%
Orange County, CA	1.3%	1.3%	1.2%	1.7%	2.1%
Orlando, FL	3.7%	3.6%	2.8%	2.7%	2.9%
Palm Beach County, FL	2.6%	2.5%	2.7%	3.0%	3.9%
PA I-81/I-78 Distribution Corridor	1.4%	1.5%	2.7%	2.8%	4.4%
Philadelphia, PA	1.8%	2.4%	2.3%	3.3%	4.9%
Phoenix, AZ	3.4%	4.3%	4.5%	4.4%	4.7%
Pittsburgh, PA	4.9%	5.0%	4.9%	4.7%	4.5%
Portland, OR	3.1%	2.7%	2.3%	2.6%	2.6%
Providence, RI	0.1%	0.1%	0.0%	0.1%	0.6%
Puget Sound - Eastside	1.9%	2.3%	2.2%	2.7%	3.2%
Raleigh/Durham, NC	4.7%	4.9%	5.6%	6.9%	6.7%
Reno, NV	1.4%	1.4%	1.8%	2.2%	3.0%
Richmond, VA	1.4%	1.8%	2.8%	2.3%	2.5%
Roanoke, VA	3.2%	3.1%	3.1%	3.2%	3.1%
Rochester, NY	4.5%	4.2%	4.5%	4.1%	3.5%
Sacramento, CA	2.3%	3.0%	3.6%	3.7%	3.9%
Salt Lake City, UT	2.0%	2.8%	2.6%	2.8%	3.8%
San Antonio, TX	5.0%	3.9%	4.2%	7.0%	7.3%
San Diego, CA	2.1%	2.4%	2.4%	2.6%	2.8%
San Francisco North Bay, CA	4.5%	5.1%	5.2%	5.9%	5.9%
San Francisco Peninsula, CA	3.0%	2.7%	2.7%	2.2%	2.0%
San Jose (Silicon Valley), CA	3.3%	3.3%	3.3%	2.9%	2.9%
Savannah, GA	0.6%	0.9%	0.7%	0.2%	3.6%
Seattle, WA	3.2%	3.2%	2.9%	3.8%	4.4%
Southern New Hampshire	3.9%	4.3%	4.3%	3.9%	3.7%
St. Louis, MO	1.8%	2.1%	2.8%	3.0%	3.5%
St. Petersburg/Clearwater, FL	3.2%	3.6%	3.7%	3.7%	4.0%
Suburban MD	4.3%	4.6%	4.5%	5.2%	5.3%
Syracuse, NY	2.5%	3.2%	2.9%	2.2%	2.8%
Tampa, FL	4.8%	5.7%	5.6%	5.5%	4.5%
Tucson, AZ	3.2%	3.1%	2.5%	2.0%	2.2%
Tulsa, OK	3.1%	3.7%	3.9%	3.7%	3.9%

Overall (All Classes)							W/D	MFG
U.S. Industrial Markets	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p	Q2 2023p	Q2 2023p
United States	\$8.26	\$8.64	\$8.89	\$9.17	\$9.59	\$9.06	\$9.06	\$9.17
Northeast	\$10.39	\$11.39	\$11.66	\$12.32	\$13.11	\$13.89	\$13.89	\$8.56
Midwest	\$6.01	\$6.13	\$6.32	\$6.35	\$6.51	\$6.09	\$6.09	\$6.46
South	\$6.86	\$7.10	\$7.32	\$7.55	\$7.69	\$7.09	\$7.09	\$6.50
West	\$12.63	\$13.07	\$13.30	\$13.85	\$14.31	\$13.84	\$13.84	\$15.48

U.S. Industrial Markets	Overall (All Classes)					W/D	MFG
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p	Q2 2023p
Atlanta, GA	\$6.61	\$7.02	\$7.25	\$7.16	\$7.17	\$6.60	\$7.78
Austin, TX	\$13.23	\$14.16	\$13.99	\$14.02	\$14.30	\$11.97	\$0.00
Baltimore, MD	\$7.68	\$7.97	\$7.82	\$8.06	\$8.11	\$6.89	\$0.00
Binghamton, NY	\$4.70	\$4.70	\$4.70	\$4.70	\$4.33	\$4.00	\$4.50
Birmingham, AL	\$5.70	\$5.50	\$5.62	\$6.04	\$6.43	\$6.31	\$0.00
Boise, ID	\$11.90	\$11.32	\$10.15	\$10.36	\$10.87	\$10.83	\$8.63
Boston, MA	\$11.43	\$11.09	\$10.92	\$12.16	\$15.33	\$15.27	\$14.97
Buffalo, NY	\$6.82	\$6.82	\$6.82	\$6.82	\$7.50	\$7.50	\$5.50
Central Valley, CA	\$7.55	\$7.71	\$7.66	\$8.48	\$8.61	\$8.68	\$8.15
Charleston, SC	\$9.60	\$12.34	\$11.29	\$9.25	\$8.22	\$7.87	\$6.22
Charlotte, NC	\$6.23	\$6.73	\$6.94	\$6.93	\$6.79	\$6.50	\$6.46
Chicago, IL	\$6.48	\$6.52	\$6.74	\$6.85	\$7.03	\$6.55	\$7.14
Cincinnati, OH	\$5.37	\$5.59	\$5.99	\$6.02	\$5.96	\$5.98	\$4.58
Cleveland, OH	\$4.77	\$5.00	\$5.59	\$5.27	\$5.75	\$5.50	\$0.00
Colorado Springs, CO	\$10.70	\$10.58	\$10.65	\$10.32	\$10.55	\$10.60	\$9.00
Columbia, SC	\$3.85	\$4.00	\$4.03	\$4.30	\$4.30	\$4.31	\$3.90
Columbus, OH	\$5.20	\$5.72	\$5.91	\$6.18	\$6.54	\$6.51	\$5.27
Dallas/Ft. Worth, TX	\$5.82	\$6.32	\$6.91	\$7.68	\$8.06	\$7.07	\$10.15
Denver, CO	\$10.42	\$10.84	\$9.38	\$9.48	\$9.78	\$8.67	\$9.31
Detroit, MI	\$7.21	\$7.20	\$7.37	\$7.32	\$7.37	\$6.94	\$6.83
El Paso, TX	\$6.75	\$7.00	\$7.25	\$7.25	\$7.25	\$7.50	\$0.00
Fort Myers/Naples, FL	\$9.88	\$10.17	\$10.29	\$10.72	\$12.85	\$12.60	\$20.27
Fredericksburg, VA	\$8.63	\$8.78	\$7.37	\$7.77	\$8.49	\$8.49	\$8.50
Ft. Lauderdale, FL	\$12.37	\$12.90	\$13.50	\$14.03	\$15.03	\$15.01	\$20.72
Greensboro/Winston-Salem, NC	\$4.83	\$5.00	\$4.91	\$4.97	\$5.23	\$5.15	\$4.21
Greenville, SC	\$4.59	\$4.84	\$4.90	\$5.29	\$5.54	\$5.86	\$3.88
Hampton Roads, VA	\$7.13	\$7.53	\$8.14	\$8.66	\$8.92	\$8.48	\$7.82
Hartford, CT	\$5.80	\$5.37	\$5.32	\$5.19	\$5.11	\$4.97	\$4.58
Houston, TX	\$6.97	\$7.11	\$7.03	\$7.14	\$7.28	\$6.92	\$7.47
Indianapolis, IN	\$5.51	\$5.18	\$5.55	\$5.82	\$5.91	\$5.66	\$6.11
Inland Empire CA	\$15.45	\$16.95	\$18.84	\$18.78	\$18.32	\$18.40	\$14.69
Jacksonville, FL	\$6.98	\$6.58	\$7.16	\$6.34	\$7.62	\$6.76	\$12.20
Kansas City, MO	\$4.68	\$5.25	\$5.53	\$5.56	\$5.98	\$4.99	\$7.30
Lakeland, FL	\$5.88	\$6.25	\$6.41	\$6.82	\$7.07	\$7.06	\$12.00
Las Vegas, NV	\$10.53	\$11.34	\$12.18	\$12.24	\$12.80	\$12.12	\$14.58
Long Island, NY	\$14.93	\$16.98	\$16.83	\$17.53	\$17.48	\$17.53	\$15.79
Los Angeles, CA	\$17.88	\$18.37	\$20.19	\$20.48	\$20.40	\$20.85	\$19.17
Louisville, KY	\$4.86	\$4.77	\$5.10	\$5.33	\$5.63	\$5.43	\$5.14
Madison, WI	\$6.16	\$6.13	\$5.98	\$6.32	\$6.04	\$6.05	\$6.08
Memphis, TN	\$4.15	\$4.16	\$4.16	\$4.16	\$4.25	\$4.10	\$4.26
Miami, FL	\$11.84	\$12.72	\$13.67	\$14.11	\$14.18	\$14.07	\$11.27
Milwaukee, WI	\$4.90	\$4.92	\$5.02	\$5.20	\$5.26	\$5.32	\$4.88

U.S. Industrial Markets	Overall (All Classes)					W/D	MFG
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023p	Q2 2023p	Q2 2023p
Minneapolis, MN	\$7.37	\$7.48	\$7.53	\$7.56	\$7.73	\$6.64	\$6.87
Nashville, TN	\$6.96	\$6.68	\$7.44	\$7.78	\$7.64	\$7.72	\$3.50
New Haven, CT	\$6.52	\$6.61	\$6.66	\$6.00	\$6.85	\$5.61	\$7.03
New Jersey - Central	\$12.96	\$14.12	\$14.38	\$15.53	\$16.24	\$16.50	\$13.78
New Jersey - Northern	\$13.97	\$15.49	\$16.14	\$17.39	\$17.82	\$18.06	\$14.69
Northern VA	\$14.42	\$14.83	\$15.04	\$15.51	\$15.89	\$13.88	\$0.00
NY Outer Boroughs	\$23.43	\$24.01	\$25.59	\$25.88	\$25.90	\$25.96	\$20.76
Oakland/East Bay, CA	\$14.23	\$14.74	\$15.47	\$16.04	\$16.08	\$15.12	\$17.58
Omaha, NE	\$6.99	\$7.04	\$7.07	\$7.24	\$7.32	\$6.91	\$6.69
Orange County, CA	\$17.89	\$18.79	\$19.22	\$18.69	\$20.49	\$22.12	\$19.97
Orlando, FL	\$8.82	\$9.31	\$9.42	\$9.55	\$10.73	\$9.22	\$12.17
Palm Beach County, FL	\$13.71	\$14.30	\$14.06	\$14.56	\$15.23	\$14.84	\$12.51
PA I-81/I-78 Distribution Corridor	\$7.28	\$7.55	\$8.48	\$8.62	\$8.99	\$8.99	\$0.00
Philadelphia, PA	\$9.39	\$12.09	\$12.49	\$12.69	\$12.81	\$12.89	\$12.14
Phoenix, AZ	\$13.54	\$14.43	\$14.11	\$14.46	\$14.06	\$13.33	\$12.70
Pittsburgh, PA	\$7.17	\$7.14	\$7.04	\$7.18	\$7.86	\$8.35	\$4.93
Portland, OR	\$10.40	\$10.92	\$11.07	\$11.26	\$11.07	\$10.64	\$13.13
Providence, RI	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$7.50	\$0.00
Puget Sound - Eastside	\$16.67	\$17.51	\$16.94	\$16.37	\$16.19	\$13.20	\$15.45
Raleigh/Durham, NC	\$13.60	\$12.81	\$12.01	\$11.15	\$11.78	\$10.33	\$0.00
Reno, NV	\$8.64	\$9.00	\$9.48	\$11.64	\$11.40	\$10.44	\$10.80
Richmond, VA	\$5.81	\$6.64	\$6.64	\$7.40	\$7.43	\$7.17	\$7.75
Roanoke, VA	\$4.74	\$5.20	\$5.46	\$5.67	\$5.60	\$4.86	\$7.71
Rochester, NY	\$6.28	\$7.00	\$7.00	\$6.75	\$6.68	\$6.75	\$6.25
Sacramento, CA	\$8.62	\$8.13	\$8.71	\$9.09	\$9.27	\$9.33	\$9.01
Salt Lake City, UT	\$8.46	\$8.43	\$9.22	\$9.26	\$9.33	\$9.31	\$12.70
San Antonio, TX	\$6.98	\$7.65	\$8.11	\$7.93	\$8.15	\$7.25	\$0.00
San Diego, CA	\$15.49	\$16.44	\$16.92	\$16.63	\$16.99	\$15.77	\$17.66
San Francisco North Bay, CA	\$13.46	\$13.16	\$13.54	\$13.34	\$13.41	\$13.42	\$13.66
San Francisco Peninsula, CA	\$24.89	\$26.28	\$26.62	\$26.41	\$26.80	\$25.93	\$32.23
San Jose (Silicon Valley), CA	\$15.47	\$15.70	\$16.82	\$16.65	\$16.61	\$14.48	\$18.29
Savannah, GA	\$6.12	\$6.14	\$6.15	\$6.48	\$6.54	\$7.35	\$0.00
Seattle, WA	\$12.38	\$11.95	\$11.92	\$11.75	\$12.48	\$11.84	\$13.33
Southern New Hampshire	\$11.32	\$11.16	\$11.39	\$11.67	\$12.33	\$11.81	\$11.96
St. Louis, MO	\$6.39	\$6.55	\$6.43	\$6.11	\$5.60	\$5.49	\$4.09
St. Petersburg/Clearwater, FL	\$9.76	\$9.66	\$9.47	\$9.85	\$10.28	\$9.77	\$9.34
Suburban MD	\$14.10	\$15.56	\$15.30	\$17.49	\$16.56	\$14.92	\$0.00
Syracuse, NY	\$5.57	\$5.61	\$5.90	\$6.00	\$6.23	\$6.14	\$5.67
Tampa, FL	\$7.94	\$7.38	\$7.71	\$8.37	\$8.59	\$7.86	\$9.30
Tucson, AZ	\$8.24	\$8.98	\$9.48	\$9.64	\$9.97	\$8.83	\$9.67
Tulsa, OK	\$5.49	\$5.47	\$5.37	\$5.36	\$5.39	\$5.69	\$4.85

p = preliminary.

U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q2 2023p
United States	16,907,194,365	273,193,480	624,270,977
Northeast	2,336,075,786	32,072,095	59,149,118
Midwest	4,477,195,018	59,026,255	101,231,821
South	5,780,099,732	124,693,576	297,565,107
West	4,313,823,829	57,401,554	166,324,931

Overall			
U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q2 2023p
Atlanta, GA	738,592,626	15,158,335	32,433,696
Austin, TX	80,347,869	4,200,193	11,764,660
Baltimore, MD	229,772,709	2,550,186	1,704,685
Binghamton, NY	17,405,598	0	0
Birmingham, AL	17,039,072	336,983	311,900
Boise, ID	50,789,941	1,862,600	4,951,757
Boston, MA	158,011,752	2,312,680	3,961,629
Buffalo, NY	116,051,519	55,000	0
Central Valley, CA	166,327,745	4,389,781	5,751,366
Charleston, SC	88,246,390	3,359,866	10,433,567
Charlotte, NC	289,703,534	3,123,702	20,765,252
Chicago, IL	1,220,593,042	11,201,768	26,319,513
Cincinnati, OH	318,207,487	6,548,373	6,211,955
Cleveland, OH	522,115,040	1,522,198	4,734,224
Colorado Springs, CO	39,909,911	17,750	380,217
Columbia, SC	101,779,916	1,640,004	856,980
Columbus, OH	310,756,511	9,336,135	11,824,032
Dallas/Ft. Worth, TX	932,462,526	27,955,148	69,965,962
Denver, CO	263,981,580	2,976,797	8,450,363
Detroit, MI	497,565,175	2,530,335	5,802,933
El Paso, TX	66,737,914	2,054,015	5,197,011
Fort Myers/Naples, FL	46,518,557	1,029,306	2,012,705
Fredericksburg, VA	15,902,645	1,159,235	727,480
Ft. Lauderdale, FL	91,567,751	0	1,333,750
Greensboro/Winston-Salem, NC	248,496,294	1,284,295	4,958,569
Greenville, SC	235,444,988	7,766,052	15,634,995
Hampton Roads, VA	110,456,351	334,800	4,389,410
Hartford, CT	92,504,895	165,625	740,300
Houston, TX	551,095,887	15,080,551	27,140,717
Indianapolis, IN	338,082,418	15,235,376	14,840,425
Inland Empire CA	605,904,712	17,636,288	31,211,150
Jacksonville, FL	106,733,403	2,488,531	5,946,389
Kansas City, MO	256,605,218	4,201,391	12,072,356
Lakeland, FL	68,604,413	1,169,820	2,750,299
Las Vegas, NV	150,278,634	6,281,912	17,134,542
Long Island, NY	133,520,597	553,169	2,261,769
Los Angeles, CA	896,837,128	1,002,095	8,959,786
Louisville, KY	195,466,952	962,313	5,925,572
Madison, WI	84,404,507	1,723,764	2,054,768
Memphis, TN	301,619,879	7,623,425	3,470,505
Miami, FL	169,761,614	1,042,714	5,710,760
Milwaukee, WI	211,752,320	704,483	2,897,606

Overall			
U.S. Industrial Markets	Inventory	Deliveries 2023 YTD	Under Construction as of Q2 2023p
Minneapolis, MN	346,278,984	2,508,526	9,024,065
Nashville, TN	244,092,027	3,897,411	13,068,834
New Haven, CT	47,503,902	0	90,000
New Jersey - Central	365,547,002	4,381,587	10,360,224
New Jersey - Northern	296,017,989	2,762,447	2,236,991
Northern VA	61,669,221	330,833	665,347
NY Outer Boroughs	144,103,638	0	3,358,263
Oakland/East Bay, CA	214,720,568	1,217,394	2,343,443
Omaha, NE	105,605,717	2,307,282	3,879,819
Orange County, CA	255,544,410	2,380,917	1,849,998
Orlando, FL	114,472,138	1,776,568	6,530,915
Palm Beach County, FL	40,718,966	654,066	847,445
PA I-81/I-78 Distribution Corridor	364,653,333	14,194,066	12,421,817
Philadelphia, PA	187,187,520	5,694,373	16,454,515
Phoenix, AZ	379,191,640	8,555,904	51,827,483
Pittsburgh, PA	161,235,367	401,976	4,847,007
Portland, OR	226,908,670	629,842	3,565,675
Providence, RI	78,390,305	663,000	0
Puget Sound - Eastside	62,272,604	546,344	4,262,032
Raleigh/Durham, NC	53,429,492	1,041,330	3,207,724
Reno, NV	110,347,219	2,122,328	2,632,295
Richmond, VA	108,572,048	936,617	5,361,809
Roanoke, VA	38,664,861	0	0
Rochester, NY	74,064,326	750,000	702,000
Sacramento, CA	112,470,813	936,783	3,058,634
Salt Lake City, UT	155,178,791	4,145,480	6,852,599
San Antonio, TX	82,818,787	3,348,830	6,705,534
San Diego, CA	159,554,308	240,975	1,965,626
San Francisco North Bay, CA	31,738,457	64,971	481,438
San Francisco Peninsula, CA	40,972,684	0	0
San Jose (Silicon Valley), CA	86,859,443	0	1,223,201
Savannah, GA	113,985,306	8,958,197	23,989,942
Seattle, WA	258,580,540	2,393,393	7,626,285
Southern New Hampshire	53,441,583	12,060	1,595,755
St. Louis, MO	265,228,599	1,206,624	1,570,125
St. Petersburg/Clearwater, FL	36,016,747	77,868	561,178
Suburban MD	49,653,916	605,282	1,057,400
Syracuse, NY	46,436,460	126,112	118,848
Tampa, FL	82,498,010	2,062,484	2,094,115
Tucson, AZ	45,454,031	0	1,797,041
Tulsa, OK	67,156,923	684,616	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.)

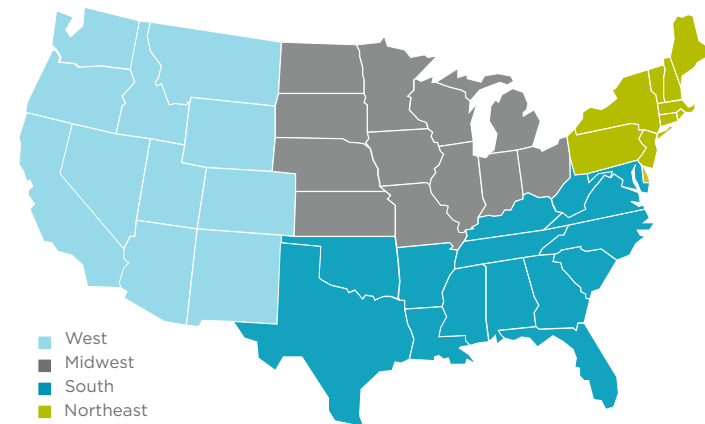
Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

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.

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