

MARKETBEAT

United States

Industrial 2Q 2016



U.S. INDUSTRIAL

Employment Indicators

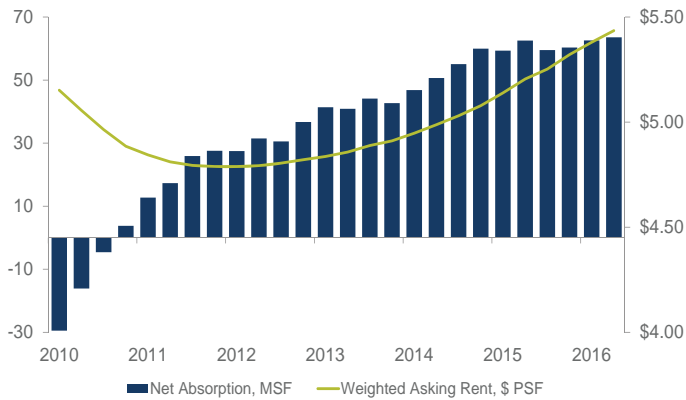
	2Q 15	2Q 16	12-Month Forecast
Total Nonfarm Employment	141.5M	143.9M	▲
Industrial Employment	24.8M	25.2M	▲
Unemployment	5.4%	4.9%	▼

Source: BLS

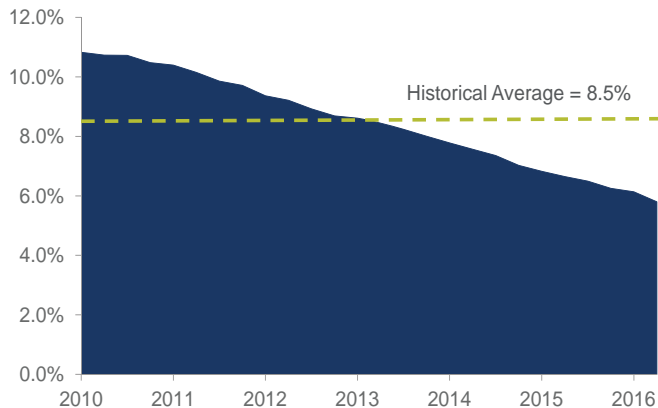
Market Indicators

	2Q 15	2Q 16	12-Month Forecast
Overall Vacancy	6.6%	5.8%	▲
Net Absorption	66.1M	70.1M	▼
Under Construction	150.1M	189.7M	▲
Weighted Asking Rent (NNN)	\$5.32	\$5.54	▲

Net Absorption/Rent NNN 4Q TRAILING AVERAGE



Overall Vacancy



Source: Cushman & Wakefield Research

Economy

The U.S. economy has weathered a number of shocks this year. The effects of China's economic slowdown and the recent "Brexit" vote in the United Kingdom have rippled through financial, equity, and currency markets worldwide, exacerbating feelings of uncertainty. But despite that uncertainty, U.S. economic fundamentals remain solid for the most part, and the industrial property markets in the U.S. continue to post robust quarterly gains in occupancy.

Nothing is more crucial to industrial property demand than jobs. Healthy employment results in new income growth which, in turn, adds to a solid base of consumer spending. Consumer spending growth bolsters demand for manufacturing and warehouse space. Consequently, strong hiring in June helped to allay fears that lackluster first-quarter GDP growth and May's disappointing job growth were indicative of any slowdown. Over the last 12 months, the U.S. economy has created 2.5 million new nonfarm payroll jobs, and those strong job gains have extended to industries that are among the heaviest users of industrial space. Warehouse and storage companies —driven in part by the continued growth of eCommerce-related fulfillment —added 54,600 new jobs in the past 12 months. Manufacturers also expanded headcount, adding 14,000 new jobs in June alone. That is a notable development, given that manufacturing employment has been one of the clearest weak spots in the labor market since the beginning of the year.

The second quarter of 2016 offered several indications that the U.S. manufacturing outlook is brighter. The recent ISM index showed factory activity expanded in June for a fourth consecutive month, increasing at its strongest pace since early 2015. New orders remain firmly in growth territory and along with rising backlogs, indicate production should continue to expand during the third quarter. Firms continue to work through elevated inventories, but the pace of those drawdowns is slowing which should aid logistics-related demand in the latter half of 2016. While manufacturing activity has improved, there are some headwinds. A stronger U.S. dollar and sluggish global growth persist, suggesting that growth will remain modest in the months ahead.

Market Overview

U.S. industrial markets absorbed a record-setting 70.1 million square feet (MSF) of space in the second quarter of 2016, up 6.0% from the same period a year ago, and propelled year-to-date absorption to 132 MSF. Demand during 2Q 2016 continued to be impressive and broad-based, with 38 markets posting over 1 MSF of absorption and 11 markets registering over 2 MSF of quarterly net occupancy gains as occupiers further expanded their footprints. Every industrial segment was in growth mode: through midyear, logistics-related warehousing posted 114 MSF of net absorption, manufacturing registered 11 MSF of growth, and flex product experienced 8 MSF of net occupancy gains.

The national industrial vacancy rate continued to decline in the second quarter to 5.8%, falling by 30 basis points (bps) from the first quarter of the year and 80 bps off the 6.6% rate in the

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second quarter of 2015. Industrial vacancy is currently tracking at its lowest level of the past 30 years and is a full 270 bps below the 10-year historical average of 8.5%. Vacancy rates declined or held firm during 2Q 2016 in 66 of 79 markets tracked by Cushman & Wakefield.

Healthy demand from logistics and distribution users combined with supply constraints continue to fuel rent growth. U.S. industrial rents increased 4.1% in 2Q 2016 from a year ago. Industrial rents rose in 68 of 79 markets during the same period, with over one-quarter of the nation's markets now reporting double-digit gains. In many markets, industrial rents are currently at historic highs, and on a national level the U.S. is witnessing rental rate appreciation for every industrial product type.

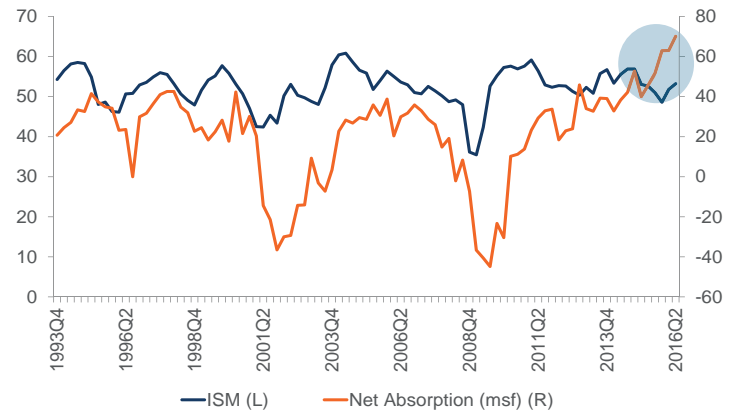
On the development front, 99.9 MSF of industrial product has been delivered so far in 2016, with 46.9 MSF of that total coming online in the second quarter. Major industrial markets, port cities and primary inland distribution hubs have welcomed the majority of industrial deliveries this year — industrial product that is increasingly speculative in nature. Speculative projects have accounted for 71.5 MSF (or 72%) of year-to-date deliveries, and developers continue to break ground on more speculative developments as vacancy rates remain at or near historical lows. Despite increasing development volumes, quarterly leasing demand continued to outpace supply indicating that the market needs new space to bring supply/demand fundamentals closer to balance. For perspective, from 2004 to 2009, over 776 MSF of industrial product was delivered, 23% more than the 633 MSF of product brought online during the current expansion. Since current cyclical macroeconomic indicators are reflective of an environment consistent with logistics real estate demand, and that independent structural shifts related to eCommerce continue to augment industrial demand, leasing of newly delivered space is expected to be brisk.

Outlook

- Much of what drives demand for logistics space links to the U.S. consumer, and with expected wage and labor market gains, consumption will drive industrial growth.
- U.S. imports, which are closely tied to warehousing demand, will continue to expand on the back of solid domestic demand and subdued import prices. Exports will be modest.
- Net absorption will once again surpass the 220 MSF mark. Leasing demand will balance new deliveries and hold national vacancy steady.
- Strong tenant activity and supply constraints will fuel rent growth. Gains will continue to permeate all product types.

Industrial Absorption Continues To Outperform

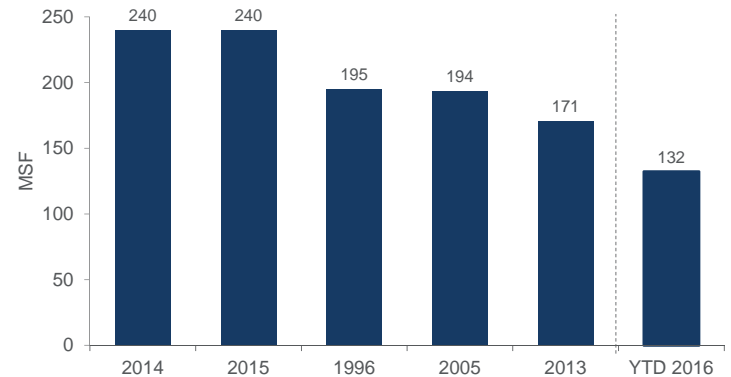
E-COMMERCE IS AUGMENTING DEMAND



Source: Institute for Supply Management, Cushman & Wakefield Research

Top Years for Industrial Net Absorption

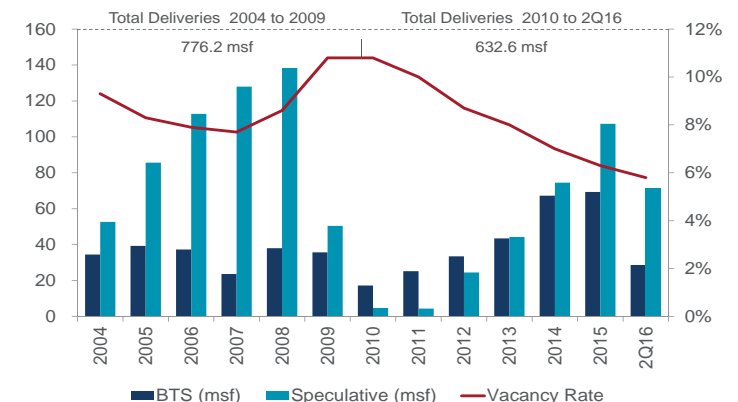
2016 ON TRACK TO BE ANOTHER BANNER YEAR



Source: Cushman & Wakefield Research

Supply/Demand Remains Imbalanced

STRONG DEMAND AND SUPPLY CONSTRAINTS TIGHTEN VACANCY



Source: Cushman & Wakefield Research

Demand Indicators (Overall)	Net Absorption					Leasing Activity
	Q2 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p
United States	66,149,756	56,281,226	65,902,802	62,033,364	70,142,242	134,151,609
Northeast	1,416,130	8,613,248	12,344,677	12,866,613	11,144,891	15,449,617
Midwest	13,172,780	13,784,087	11,522,524	13,631,119	16,189,942	28,631,169
South	24,907,690	16,640,923	22,626,849	22,871,269	20,818,341	39,504,729
West	26,653,156	17,242,968	19,408,752	12,664,363	21,989,068	50,566,094

Demand Indicators (Overall)	Q2 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p
Atlanta, GA	3,985,958	2,024,104	3,787,196	3,498,578	3,588,257	5,330,950
Austin, TX	594,625	535,220	385,165	171,666	242,070	655,589
Baltimore, MD	778,856	515,020	273,161	1,611,283	653,547	1,630,890
Binghamton, NY	-347,566	47,200	-176,074	35,384	117,480	130,826
Birmingham, AL	152,331	-8,894	-176,074	108,076	403,623	441,216
Boston, MA	127,421	-564,925	2,704,991	-238,547	873,758	1,660,689
Buffalo, NY	n/a	n/a	n/a	-276,271	136,985	129,825
Charleston, SC	899,558	-671,776	870,931	556,414	249,729	659,590
Charlotte, NC	411,302	44,315	275,502	-326,334	2,060,434	3,597,229
Chicago, IL	4,713,751	5,537,960	3,181,601	3,984,690	7,345,856	9,153,632
Cincinnati, OH	1,259,007	1,085,966	1,050,450	827,234	1,563,574	2,464,490
Cleveland, OH	1,288,175	264,832	680,698	962,071	-36,295	1,433,037
Colorado Springs, CO	291,924	197,926	168,596	352,165	n/a	n/a
Columbus, OH	1,304,121	316,303	958,752	1,381,183	180,470	1,589,830
Dallas/Ft. Worth, TX	4,651,749	1,344,169	5,158,085	6,532,681	4,451,181	6,534,453
Dayton, OH	254,758	909,642	416,061	572,358	311,966	181,357
Denver, CO	857,435	748,877	-438,786	330,391	982,032	1,439,182
Detroit, MI	1,954,136	2,527,064	2,281,673	2,202,489	1,220,304	3,621,005
East Bay, CA	2,160,616	360,593	1,080,889	-217,173	3,000,663	5,752,613
El Paso, TX	194,337	683,500	390,000	1,576,642	712,193	1,082,991
Fort Myers/Naples, FL	169,382	44,970	161,561	136,253	334,233	207,879
Fredericksburg, VA	184,404	53,029	-21,638	-2,176	29,712	187,787
Ft. Lauderdale, FL	25,500	482,672	51,158	164,246	649,219	556,870
Greenville, SC	634,353	1,108,045	866,914	830,107	3,601,814	558,631
Hampton Roads, VA	686,350	579,468	-21,546	-204,133	341,067	341,134
Hartford, CT	-241,903	146,502	-196,297	-161,857	n/a	n/a
Houston, TX	974,766	2,062,877	243,707	1,159,736	-752,159	4,805,655
Indianapolis, IN	677,781	1,571,505	1,620,767	881,633	2,720,089	4,703,187
Inland Empire CA	9,264,382	3,778,078	6,018,135	3,273,026	8,150,651	11,816,444
Jacksonville, FL	775,559	782,236	1,314,626	917,099	491,061	712,182
Kansas City, MO	634,460	1,032,936	919,847	773,318	1,695,923	1,851,625
Lakeland, FL	204,911	171,050	131,220	146,000	-59,975	285,550
Las Vegas, NV	1,808,833	767,457	411,294	925,404	455,327	n/a
Long Island, NY	-1,053,678	-653,171	247,509	408,593	38,586	353,504
Los Angeles, CA	2,864,646	3,591,968	2,184,513	2,178,443	1,973,274	9,668,519
Louisville, KY	-146,656	1,380,064	1,292,708	927,600	1,598,022	2,010,743
Memphis, TN	3,322,321	2,186,850	1,542,588	1,690,863	138,927	4,684,840
Miami, FL	808,989	278,677	549,178	716,040	483,245	796,620
Milwaukee, WI	923,899	144,626	546,891	885,374	743,340	1,064,073
Minneapolis, MN	630,907	1,646,823	671,568	1,041,300	403,691	n/a

Demand Indicators (Overall)	Net Absorption					Leasing Activity
	Q2 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p
Nashville, TN	915,555	1,149,509	3,115,044	261,694	314,712	1,023,975
New Haven, CT	158,553	242,326	-120,269	27,084	n/a	n/a
New Jersey - Central	1,290,660	2,889,095	2,797,263	5,855,017	2,190,967	5,006,249
New Jersey - Northern	579,859	988,107	1,281,402	1,687,409	1,388,732	2,506,960
Oklahoma City, OK	82,128	-91,810	-249,225	366,886	355,395	n/a
Omaha, NE	383,121	100,304	-67,189	-14,997	21,205	229,676
Orange County, CA	1,045,402	673,150	554,044	385,352	259,687	3,221,318
Orlando, FL	991,386	987,678	393,499	642,823	280,933	1,485,444
Palm Beach County, FL	67,920	159,760	277,198	378,706	349,274	95,874
PA I-81/I-78 Distribution Corridor	1,290,044	3,888,287	2,109,790	2,715,274	3,563,243	3,656,333
Philadelphia, PA	-560,205	2,044,302	1,852,105	1,761,451	992,980	1,045,816
Phoenix, AZ	1,601,101	821,688	4,027,249	1,386,180	2,196,394	5,030,119
Pittsburgh, PA	-49,040	-25,911	1,189,636	873,111	890,151	269,039
Portland, OR	864,706	919,682	3,128,684	439,415	978,437	2,216,132
Providence, RI	n/a	n/a	n/a	133,493	254,742	87,146
Puget Sound - Eastside	443,637	189,875	213,643	-118,429	1,322,354	1,031,838
Raleigh/Durham, NC	355,348	-24,322	847,787	108,522	283,535	570,824
Richmond, VA	325,686	-88,609	-197,984	547,739	363,080	646,334
Roanoke, VA	1,187,389	53,300	239,271	-104,322	68,057	115,250
Rochester, NY	-746,878	-386,210	338,920	69,576	801,031	23,961
Sacramento, CA	122,798	1,163,411	-134,622	1,291,485	368,021	726,967
Salt Lake City, UT	36,315	977,388	512,920	410,524	612,166	1,182,539
San Antonio, TX	37,794	-64,086	304,981	61,441	-76,250	225,511
San Diego, CA	127,384	1,072,702	677,427	-236,360	374,520	2,394,591
San Francisco North Bay, CA	-130,163	389,837	73,004	-26,146	116,460	419,830
San Francisco Peninsula, CA	-75,595	61,178	100,315	309,443	-96,174	298,615
San Jose (Silicon Valley), CA	158,198	365,336	455,549	51,578	593,280	1,739,608
Savannah, GA	655,960	0	610,191	0	-120,950	1,017,110
Seattle, WA	2,995,775	443,811	-737,959	618,628	1,291,209	3,475,251
Southern New Hampshire	895,172	-66,015	303,388	233,167	n/a	n/a
St. Louis, MO	859,211	298,888	637,040	167,293	136,002	2,264,418
St. Petersburg/Clearwater, FL	-51,479	6,741	20,082	62,272	9,233	207,347
Stockton/Tracy, CA	2,160,616	360,593	1,080,889	1,433,062	640,936	1,232,288
Suburban MD	418,368	177,624	107,919	-20,166	284,327	509,676
Suburban VA	151,208	122,019	-196,354	271,468	-125,578	260,231
Syracuse, NY	73,691	63,661	12,313	-256,271	-103,764	579,269
Tampa, FL	459,123	610,082	375,052	15,377	228,877	388,558
Tucson, AZ	55,146	416,240	103,939	-28,363	252,815	257,320
Tulsa, OK	2,709	47,441	-95,054	-90,177	-190,296	n/a

p = preliminary

Overall Vacancy Rate	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
United States	6.6%	6.5%	6.3%	6.1%	5.8%
Northeast	7.9%	7.7%	7.3%	7.2%	6.6%
Midwest	6.5%	6.3%	6.2%	5.9%	5.8%
South	7.4%	7.4%	7.0%	7.1%	6.9%
West	5.3%	5.1%	4.9%	4.7%	4.2%

U.S. Industrial Report Markets	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
Atlanta, GA	7.7%	8.3%	7.9%	8.5%	8.4%
Austin, TX	8.6%	6.9%	6.1%	6.8%	7.7%
Baltimore, MD	8.5%	8.3%	8.3%	7.5%	7.2%
Binghamton, NY	11.3%	11.1%	12.4%	12.2%	11.7%
Birmingham, AL	11.1%	11.7%	12.4%	17.0%	14.4%
Boston, MA	7.9%	8.2%	7.6%	7.7%	7.4%
Buffalo, NY	9.2%	8.7%	8.8%	8.9%	9.0%
Charleston, SC	7.2%	8.6%	7.3%	8.0%	8.0%
Charlotte, NC	4.4%	6.2%	6.0%	6.4%	4.5%
Chicago, IL	6.8%	6.4%	6.4%	6.4%	6.3%
Cincinnati, OH	4.2%	4.4%	4.5%	4.2%	4.0%
Cleveland, OH	5.5%	5.4%	5.3%	5.2%	5.0%
Colorado Springs, CO	7.2%	7.7%	7.9%	6.3%	6.3%
Columbus, OH	5.5%	6.6%	6.5%	6.6%	6.5%
Dallas/Ft. Worth, TX	7.4%	7.7%	7.5%	6.9%	6.9%
Dayton, OH	9.7%	9.4%	9.1%	8.7%	8.6%
Denver, CO	4.1%	4.0%	4.3%	2.7%	3.4%
Detroit, MI	6.1%	5.7%	5.4%	4.8%	4.6%
East Bay, CA	4.1%	3.5%	3.5%	3.1%	2.8%
El Paso, TX	12.8%	12.1%	11.6%	8.7%	6.6%
Fort Myers/Naples, FL	6.6%	6.2%	5.8%	4.6%	3.8%
Fredericksburg, VA	13.1%	12.6%	12.8%	12.3%	10.2%
Ft. Lauderdale, FL	6.6%	6.0%	6.4%	7.1%	6.8%
Greenville, SC	7.4%	7.3%	6.8%	7.4%	6.7%
Hampton Roads, VA	7.0%	6.5%	6.4%	7.0%	6.7%
Hartford, CT	12.8%	12.7%	12.6%	12.9%	12.9%
Houston, TX	5.7%	5.4%	5.5%	6.0%	6.4%
Indianapolis, IN	7.3%	7.6%	7.3%	5.3%	4.9%
Inland Empire CA	5.7%	6.0%	5.7%	5.5%	4.7%
Jacksonville, FL	9.4%	8.8%	8.0%	7.2%	6.5%
Kansas City, MO	8.0%	7.6%	7.4%	7.9%	7.5%
Lakeland, FL	3.8%	4.1%	3.5%	5.0%	5.5%
Las Vegas, NV	6.6%	6.3%	6.8%	6.1%	6.0%
Long Island, NY	8.9%	9.2%	8.3%	7.5%	6.9%
Los Angeles, CA	3.0%	2.7%	2.3%	2.2%	1.6%
Louisville, KY	5.9%	5.6%	4.9%	5.5%	5.4%
Memphis, TN	10.9%	10.6%	9.8%	9.9%	9.7%
Miami, FL	6.3%	6.1%	5.7%	4.9%	4.9%
Milwaukee, WI	5.1%	4.8%	4.7%	4.4%	4.2%
Minneapolis, MN	10.9%	9.7%	9.9%	8.7%	8.5%

Overall Vacancy Rate	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
Nashville, TN	6.0%	5.4%	4.7%	4.0%	3.9%
New Haven, CT	12.9%	12.7%	12.4%	12.7%	12.7%
New Jersey - Central	8.0%	7.4%	6.1%	5.1%	4.3%
New Jersey - Northern	7.2%	7.0%	6.7%	6.3%	5.7%
Oklahoma City, OK	6.3%	6.2%	6.7%	6.5%	7.2%
Omaha, NE	2.9%	2.7%	3.0%	3.5%	3.1%
Orange County, CA	3.5%	3.0%	2.8%	2.8%	2.3%
Orlando, FL	7.9%	7.5%	7.3%	6.9%	5.8%
Palm Beach County, FL	5.5%	4.9%	4.4%	5.4%	4.4%
PA I-81/I-78 Distribution Corridor	5.4%	5.0%	5.2%	6.6%	5.1%
Philadelphia, PA	6.2%	5.8%	5.6%	5.6%	5.4%
Phoenix, AZ	11.2%	11.1%	10.3%	10.1%	9.6%
Pittsburgh, PA	6.8%	7.2%	6.8%	6.2%	5.6%
Portland, OR	5.3%	5.3%	4.9%	4.8%	4.4%
Providence, RI	1.7%	1.3%	0.8%	0.6%	0.3%
Puget Sound - Eastside	9.5%	6.5%	6.2%	6.9%	5.3%
Raleigh/Durham, NC	7.0%	6.1%	5.0%	6.3%	5.8%
Richmond, VA	7.8%	7.7%	7.9%	8.1%	7.5%
Roanoke, VA	8.4%	8.3%	7.6%	9.6%	9.3%
Rochester, NY	11.3%	11.8%	11.4%	11.3%	10.2%
Sacramento, CA	10.9%	10.5%	10.8%	10.3%	9.4%
Salt Lake City, UT	6.7%	7.2%	7.3%	7.1%	7.0%
San Antonio, TX	11.4%	11.2%	10.4%	10.2%	10.5%
San Diego, CA	5.8%	5.3%	5.0%	5.0%	4.9%
San Francisco North Bay, CA	7.6%	6.5%	6.2%	6.4%	5.9%
San Francisco Peninsula, CA	3.8%	3.6%	3.4%	2.6%	2.8%
San Jose (Silicon Valley), CA	4.5%	4.0%	3.4%	3.1%	2.1%
Savannah, GA	5.6%	5.6%	2.2%	2.2%	2.4%
Seattle, WA	4.8%	4.3%	5.0%	5.8%	5.4%
Southern New Hampshire	17.7%	17.4%	16.2%	16.0%	16.0%
St. Louis, MO	6.7%	6.5%	6.6%	6.9%	7.3%
St. Petersburg/Clearwater, FL	5.7%	5.6%	5.1%	5.5%	5.6%
Stockton/Tracy, CA	6.3%	7.1%	7.1%	7.3%	6.6%
Suburban MD	11.7%	12.2%	12.2%	12.6%	12.7%
Suburban VA	11.7%	11.5%	11.9%	9.0%	9.6%
Syracuse, NY	11.1%	10.9%	10.8%	11.2%	10.3%
Tampa, FL	7.6%	6.7%	6.1%	6.2%	6.1%
Tucson, AZ	10.0%	9.4%	9.2%	9.6%	8.6%
Tulsa, OK	8.3%	8.3%	7.8%	8.0%	7.8%

p = preliminary

Weighted Average Asking Rent	Overall (All Property Types)					W/D	MFG
	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p	
United States	\$5.32	\$5.32	\$5.41	\$5.47	\$5.54	\$4.85	\$5.17
Northeast	\$5.54	\$5.58	\$5.58	\$5.67	\$5.81	\$5.55	\$4.34
Midwest	\$4.19	\$4.25	\$4.31	\$4.41	\$4.43	\$4.13	\$4.25
South	\$5.01	\$5.01	\$5.13	\$5.25	\$5.33	\$4.62	\$4.37
West	\$6.88	\$6.83	\$7.02	\$6.98	\$7.15	\$5.94	\$7.53

U.S. Industrial Report Markets	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p	
Atlanta, GA	\$4.20	\$4.20	\$4.29	\$4.27	\$4.22	\$3.68	\$3.46
Austin, TX	\$9.36	\$9.84	\$9.94	\$9.72	\$9.66	\$6.90	n/a
Baltimore, MD	\$5.37	\$5.40	\$5.61	\$5.48	\$5.57	\$4.58	n/a
Binghamton, NY	\$4.71	\$4.83	\$4.83	\$4.74	\$4.81	\$4.36	\$3.50
Birmingham, AL	\$4.67	\$4.69	\$4.58	\$3.61	\$3.57	\$3.24	n/a
Boston, MA	\$5.78	\$5.94	\$5.96	\$5.86	\$6.02	\$5.65	\$5.22
Buffalo, NY	\$4.13	\$4.13	\$4.13	\$4.13	\$4.13	\$4.25	\$3.95
Charleston, SC	\$4.53	\$4.67	\$4.93	\$4.92	\$5.18	\$5.19	\$4.80
Charlotte, NC	\$4.77	\$4.26	\$4.24	\$4.96	\$4.99	\$4.49	\$4.55
Chicago, IL	\$4.64	\$4.79	\$4.85	\$4.87	\$4.88	\$4.71	\$4.57
Cincinnati, OH	\$3.74	\$3.81	\$3.89	\$3.97	\$4.01	\$3.29	\$3.70
Cleveland, OH	\$3.78	\$3.86	\$3.87	\$3.89	\$3.95	\$3.64	n/a
Colorado Springs, CO	\$6.43	\$6.92	\$6.83	\$6.41	\$6.41	\$6.41	n/a
Columbus, OH	\$3.30	\$3.30	\$3.38	\$3.35	\$3.35	\$3.35	n/a
Dallas/Ft. Worth, TX	\$5.00	\$5.00	\$5.09	\$5.47	\$5.16	\$4.21	\$4.27
Dayton, OH	\$3.05	\$3.19	\$3.21	\$3.21	\$3.22	\$3.22	\$2.89
Denver, CO	\$7.75	\$7.96	\$8.24	\$7.71	\$7.04	\$5.67	\$7.75
Detroit, MI	\$4.92	\$4.92	\$5.04	\$5.15	\$5.25	\$4.68	\$4.53
East Bay, CA	\$6.88	\$6.76	\$7.23	\$7.78	\$7.79	\$6.92	\$8.95
El Paso, TX	\$3.70	\$3.75	\$3.75	\$3.90	\$3.95	\$4.00	\$3.90
Fort Myers/Naples, FL	\$6.10	\$6.25	\$6.37	\$6.36	\$6.58	\$6.34	\$5.95
Fredericksburg, VA	\$5.55	\$5.47	\$5.53	\$5.72	\$5.83	\$6.00	\$4.81
Ft. Lauderdale, FL	n/a	n/a	n/a	\$8.76	\$9.65	\$9.09	\$10.66
Greenville, SC	\$3.40	\$3.44	\$3.86	\$3.44	\$3.53	\$3.45	\$3.33
Hampton Roads, VA	\$4.96	\$4.87	\$5.03	\$5.06	\$5.17	\$4.96	\$4.67
Hartford, CT	\$4.28	\$4.21	\$4.18	\$4.31	\$4.31	\$4.39	\$3.88
Houston, TX	\$6.04	\$6.09	\$6.05	\$6.02	\$6.19	\$6.00	\$6.08
Indianapolis, IN	\$3.96	\$3.93	\$3.97	\$4.20	\$4.11	\$3.92	\$4.22
Inland Empire CA	\$5.24	\$5.38	\$5.75	\$5.90	\$6.24	\$5.40	\$7.32
Jacksonville, FL	\$4.00	\$3.91	\$4.05	\$4.05	\$3.99	\$3.60	\$2.14
Kansas City, MO	\$4.12	\$4.10	\$4.14	\$4.39	\$4.48	\$3.96	\$4.27
Lakeland, FL	\$4.64	\$4.50	\$4.53	\$4.63	\$4.89	\$4.81	\$4.55
Las Vegas, NV	\$7.02	\$7.18	\$7.19	\$7.01	\$7.32	\$6.37	n/a
Long Island, NY	\$8.83	\$8.87	\$8.63	\$8.15	\$8.25	\$8.00	\$8.41
Los Angeles, CA	\$7.69	\$7.79	\$8.09	\$8.26	\$8.29	\$7.91	\$7.91
Louisville, KY	\$3.66	\$3.65	\$3.52	\$3.61	\$3.64	\$3.51	\$3.09
Memphis, TN	\$2.47	\$2.53	\$2.50	\$2.35	\$2.51	\$2.36	n/a
Miami, FL	n/a	n/a	n/a	\$7.98	\$8.98	\$8.74	\$8.42
Milwaukee, WI	\$4.10	\$4.22	\$4.29	\$4.39	\$4.33	\$3.90	\$4.30
Minneapolis, MN	\$4.33	\$4.48	\$4.63	\$4.65	\$4.67	\$4.34	n/a

Weighted Average Asking Rent	Overall (All Property Types)					W/D	MFG
	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p	2Q 2016p	
Nashville, TN	n/a	n/a	n/a	\$5.65	\$5.85	\$5.76	\$2.77
New Haven, CT	\$4.99	\$5.08	\$5.23	\$5.20	\$5.20	\$4.74	\$4.80
New Jersey - Central	\$6.02	\$5.82	\$6.06	\$6.59	\$6.97	\$6.03	\$3.61
New Jersey - Northern	\$6.66	\$6.92	\$7.03	\$7.42	\$7.71	\$7.05	\$6.33
Oklahoma City, OK	\$4.34	\$4.03	\$4.00	\$4.21	\$4.57	\$3.86	\$3.07
Omaha, NE	\$4.95	\$5.25	\$5.01	\$5.10	\$5.13	\$4.81	\$3.95
Orange County, CA	\$9.22	\$9.42	\$9.62	\$9.76	\$10.44	\$8.28	\$10.68
Orlando, FL	\$6.13	\$6.25	\$6.36	\$6.51	\$6.65	\$5.24	\$6.24
Palm Beach County, FL	n/a	n/a	n/a	\$9.30	\$10.26	\$9.50	\$9.16
PA I-81/I-78 Distribution Corridor	\$4.16	\$4.07	\$4.31	\$4.35	\$4.57	\$4.56	\$3.50
Philadelphia, PA	\$4.71	\$4.76	\$4.70	\$4.52	\$4.52	\$4.19	\$3.52
Phoenix, AZ	\$6.27	\$6.14	\$6.29	\$6.26	\$6.43	\$4.76	\$7.14
Pittsburgh, PA	\$5.77	\$5.69	\$5.74	\$7.21	\$7.70	\$5.13	\$4.88
Portland, OR	\$6.54	\$6.47	\$6.72	\$7.07	\$7.22	\$6.05	\$5.99
Providence, RI	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.70	n/a
Puget Sound - Eastside	\$10.08	\$9.22	\$9.84	\$9.89	\$10.89	\$9.13	\$6.84
Raleigh/Durham, NC	\$6.68	\$7.24	\$7.77	\$7.39	\$7.98	\$5.56	\$3.99
Richmond, VA	\$4.45	\$4.43	\$4.43	\$4.41	\$4.34	\$3.81	\$3.91
Roanoke, VA	\$3.92	\$3.93	\$4.14	\$4.17	\$4.10	\$3.93	\$4.32
Rochester, NY	\$4.84	\$4.84	\$4.84	\$4.84	\$4.84	\$3.25	\$4.75
Sacramento, CA	\$4.57	\$4.65	\$4.74	\$4.40	\$4.40	\$4.31	\$4.96
Salt Lake City, UT	\$5.16	\$5.16	\$5.28	\$5.30	\$5.40	\$5.17	\$3.96
San Antonio, TX	\$5.66	\$5.76	\$5.74	\$5.57	\$5.74	\$4.69	n/a
San Diego, CA	\$10.80	\$11.40	\$11.52	\$11.76	\$12.12	\$9.00	\$10.20
San Francisco North Bay, CA	\$9.97	\$10.22	\$10.69	\$10.07	\$10.10	\$10.10	\$11.24
San Francisco Peninsula, CA	\$11.71	\$12.12	\$11.64	\$13.09	\$13.50	\$12.00	\$19.01
San Jose (Silicon Valley), CA	\$8.70	\$8.93	\$9.84	\$8.76	\$11.52	\$8.64	\$12.96
Savannah, GA	\$4.03	\$4.03	\$4.22	\$4.22	\$4.55	\$4.15	n/a
Seattle, WA	\$5.88	\$5.94	\$5.84	\$5.85	\$6.04	\$5.77	\$4.05
Southern New Hampshire	\$5.72	\$5.74	\$5.69	\$5.76	\$5.76	\$5.12	\$5.27
St. Louis, MO	\$4.20	\$4.21	\$4.22	\$4.07	\$4.14	\$3.96	\$5.87
St. Petersburg/Clearwater, FL	\$6.80	\$7.23	\$7.43	\$7.40	\$7.61	\$6.11	\$5.88
Stockton/Tracy, CA	\$3.80	\$3.75	\$3.88	\$4.20	\$4.20	\$4.08	\$4.32
Suburban MD	\$8.83	\$8.62	\$9.20	\$9.20	\$9.20	\$8.05	n/a
Suburban VA	\$8.83	\$8.62	\$9.20	\$9.19	\$9.20	\$9.02	n/a
Syracuse, NY	\$3.59	\$3.87	\$3.82	\$3.56	\$3.65	\$3.59	\$3.10
Tampa, FL	\$5.35	\$5.30	\$5.31	\$5.42	\$5.48	\$4.35	\$3.71
Tucson, AZ	\$6.47	\$6.39	\$6.92	\$6.90	\$6.80	\$6.05	\$6.16
Tulsa, OK	\$4.44	\$4.56	\$4.52	\$4.49	\$4.50	\$4.84	\$3.81

p = preliminary

Inventory	Inventory	Deliveries YTD	Under Construction as of 2Q 2016p
United States	13,975,476,397	99,855,827	189,665,850
Northeast	2,309,702,542	12,483,395	25,188,396
Midwest	3,828,072,220	21,763,978	45,040,902
South	4,004,134,310	38,310,878	83,093,383
West	3,833,567,325	27,297,576	36,343,169

U.S. Industrial Report Markets	Inventory	Deliveries YTD	Under Construction as of 2Q 2016p
Atlanta, GA	541,724,027	8,715,645	16,514,665
Austin, TX	45,614,617	334,870	348,740
Baltimore, MD	204,750,042	0	1,016,500
Binghamton, NY	17,674,534	0	0
Birmingham, AL	15,240,259	0	120,000
Boston, MA	342,616,074	147,795	2,547,840
Buffalo, NY	110,203,208	0	1,894,230
Charleston, SC	63,013,083	1,894,925	4,121,247
Charlotte, NC	157,235,049	487,174	1,159,037
Chicago, IL	1,158,099,894	6,203,666	17,049,915
Cincinnati, OH	277,928,383	1,193,560	3,794,347
Cleveland, OH	485,364,852	2,073,000	837,700
Colorado Springs, CO	33,494,808	275,198	0
Columbus, OH	244,237,625	1,446,856	4,588,123
Dallas/Ft. Worth, TX	565,121,325	8,590,725	23,854,005
Dayton, OH	112,669,634	324,900	473,600
Denver, CO	241,833,039	2,054,338	2,300,903
Detroit, MI	486,755,281	693,859	2,594,868
East Bay, CA	198,375,606	2,590,676	1,284,215
El Paso, TX	51,790,980	445,000	n/a
Fort Myers/Naples, FL	40,745,817	81,730	362,658
Fredericksburg, VA	10,164,206	0	n/a
Ft. Lauderdale, FL	88,289,713	133,467	940,060
Greenville, SC	187,641,748	0	5,244,800
Hampton Roads, VA	94,614,829	43,000	419,066
Hartford, CT	92,057,251	n/a	n/a
Houston, TX	394,951,471	5,283,802	7,338,125
Indianapolis, IN	247,037,923	2,343,869	1,246,073
Inland Empire CA	490,217,150	12,413,639	15,718,325
Jacksonville, FL	104,314,005	510,433	417,545
Kansas City, MO	202,825,016	3,525,850	4,641,936
Lakeland, FL	32,433,591	345,000	881,146
Las Vegas, NV	110,788,199	1,163,587	1,596,640
Long Island, NY	129,988,876	0	722,000
Los Angeles, CA	1,077,383,401	1,246,717	4,329,103
Louisville, KY	139,513,798	3,299,010	4,450,588
Memphis, TN	188,611,494	1,981,513	3,375,720
Miami, FL	156,958,726	644,827	3,373,770
Milwaukee, WI	197,251,595	1,044,344	1,106,635
Minneapolis, MN	104,907,142	600,898	2,537,800

Inventory	Inventory	Deliveries YTD	Under Construction as of 2Q 2016p
Nashville, TN	131,580,919	213,703	845,652
New Haven, CT	48,566,293	n/a	n/a
New Jersey - Central	333,051,321	1,650,387	5,362,026
New Jersey - Northern	289,224,176	315,000	1,361,192
Oklahoma City, OK	68,875,940	210,000	435,666
Omaha, NE	68,638,408	264,328	598,842
Orange County, CA	282,784,730	405,907	441,703
Orlando, FL	109,586,823	278,215	1,723,785
Palm Beach County, FL	40,640,801	329,749	635,760
PA I-81/I-78 Distribution Corridor	248,148,991	8,235,784	10,403,993
Philadelphia, PA	286,789,897	1,522,049	3,819,893
Phoenix, AZ	302,748,115	2,694,327	2,684,247
Pittsburgh, PA	169,688,377	597,380	1,283,562
Portland, OR	191,980,837	652,920	2,760,962
Providence, RI	77,727,305	n/a	n/a
Puget Sound - Eastside	61,057,350	298,378	386,534
Raleigh/Durham, NC	48,809,902	253,350	552,273
Richmond, VA	90,804,230	304,600	216,000
Roanoke, VA	45,136,504	0	250,000
Rochester, NY	73,551,473	0	0
Sacramento, CA	133,978,486	96,152	0
Salt Lake City, UT	123,725,807	180,000	2,160,158
San Antonio, TX	40,466,325	1,058,857	717,674
San Diego, CA	160,850,604	665,300	898,572
San Francisco North Bay, CA	22,849,376	0	421,020
San Francisco Peninsula, CA	39,768,564	0	0
San Jose (Silicon Valley), CA	83,553,568	0	674,803
Savannah, GA	49,047,984	1,785,810	1,929,800
Seattle, WA	140,792,113	1,700,591	1,080,759
Southern New Hampshire	48,001,232	n/a	n/a
St. Louis, MO	242,195,575	2,048,848	5,571,063
St. Petersburg/Clearwater, FL	51,515,286	0	341,976
Stockton/Tracy, CA	97,780,924	1,749,100	476,000
Suburban MD	48,161,589	725,880	547,000
Suburban VA	56,791,458	570,773	154,649
Syracuse, NY	42,413,534	15,000	341,500
Tampa, FL	80,449,600	28,500	348,226
Tucson, AZ	40,487,319	5,200	800,000
Tulsa, OK	60,068,675	180,500	152,250

p = preliminary

About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 43,000 employees in more than 60 countries help investors and occupiers optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$5 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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. 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.

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.

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Regional Map

