

MARKET ACTIVITY

Direct Vacancy
↓ 2.7%

Net Absorption
↑ 566,244 SF

Overall Vacancy
↓ 3.2%

Gross Absorption
↓ 2,539,950 SF

Under Construction
↑ 952,155 SF

Rental Rates (NNN)
➤ \$1.15

Sale Price Change
↓ 0.4%

Deal Volume
↑ 7.7%

KEY TAKE AWAYS

MARKET

- **Vacancy Rate:** Declined by 20 BPS to 3.2% in Q1.
- **Net Absorption:** Has totaled over 566K SF in Q1.
- **Asking Rents:** Have remained unchanged from Q3 at \$1.15 PSF.
- **Sales:** In Q1, the median price PSF is \$231.99. Sales volume is up 7.7% from the same period in Q4.
- **Industrial Supply:** Under construction expanded in Q1 to 952K SF.

ECONOMIC OUTLOOK

- **GDP:** Q4 estimates show a growth rate of 4.0%.
- **Employment:** The unemployment rate continues to decline, but the employment situation is bleak for millions of Americans as thousands of business are permanently closing due to governmental mandated closures.
- **Economic Relief:** Congress and the new administration have proposed a \$1.9T stimulus package. Analyst predict some stimulus will be passed in March.
- **Stability:** The completion of the Presidential election will likely add economic stability to the commercial real estate market.

ECONOMIC OUTLOOK

U.S. Employment
↓ 6.3%

U6 Rate
↓ 11.1%

Interest Rate
↓ 2.7%
(30 year fixed)

Changing GDP
↓ 4.0%

Port Traffic Y/Y Δ
↑ 22.4%

NYSE Performance
↑ 5.3%

Inflation Change
↑ 1.4%

10 Yr. - 2 Yr. Spread
↑ 117 BPS

EXPERIENCE IN A CHANGING MARKET

@DAUMCOMMERCIAL



Although all information is furnished regarding for sale, rental or financing is from sources deemed reliable, such information has not been verified and no express representation is made nor is any to be implied as to the accuracy thereof, and it is submitted subject to errors, omissions, changes of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice.