

MARKET ACTIVITY

Direct Vacancy
2.5%

Net Absorption
227,777 SF

Overall Vacancy
2.7%

Gross Absorption
1,360,724 SF

Under Construction
1,731,650 SF

Rental Rates (NNN)
\$0.91

Sale Price Change
5.9%

Deal Volume
62.6%

KEY TAKE AWAYS

MARKET

- **Vacancy Rate:** Fell 10 BPS from Q4.
- **Asking Rents:** Declined by \$0.02 PSF in Q1 to \$0.91.
- **Industrial Supply:** Construction activity increased to 1.73M SF.
- **Sale:** Volume is down by over 62% when compared to mid-quarter Q4. The median price PSF is \$192.94.

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

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