

Dallas/Fort Worth

3rd Quarter 2015

Industrial Market Report

Xceligent[®]

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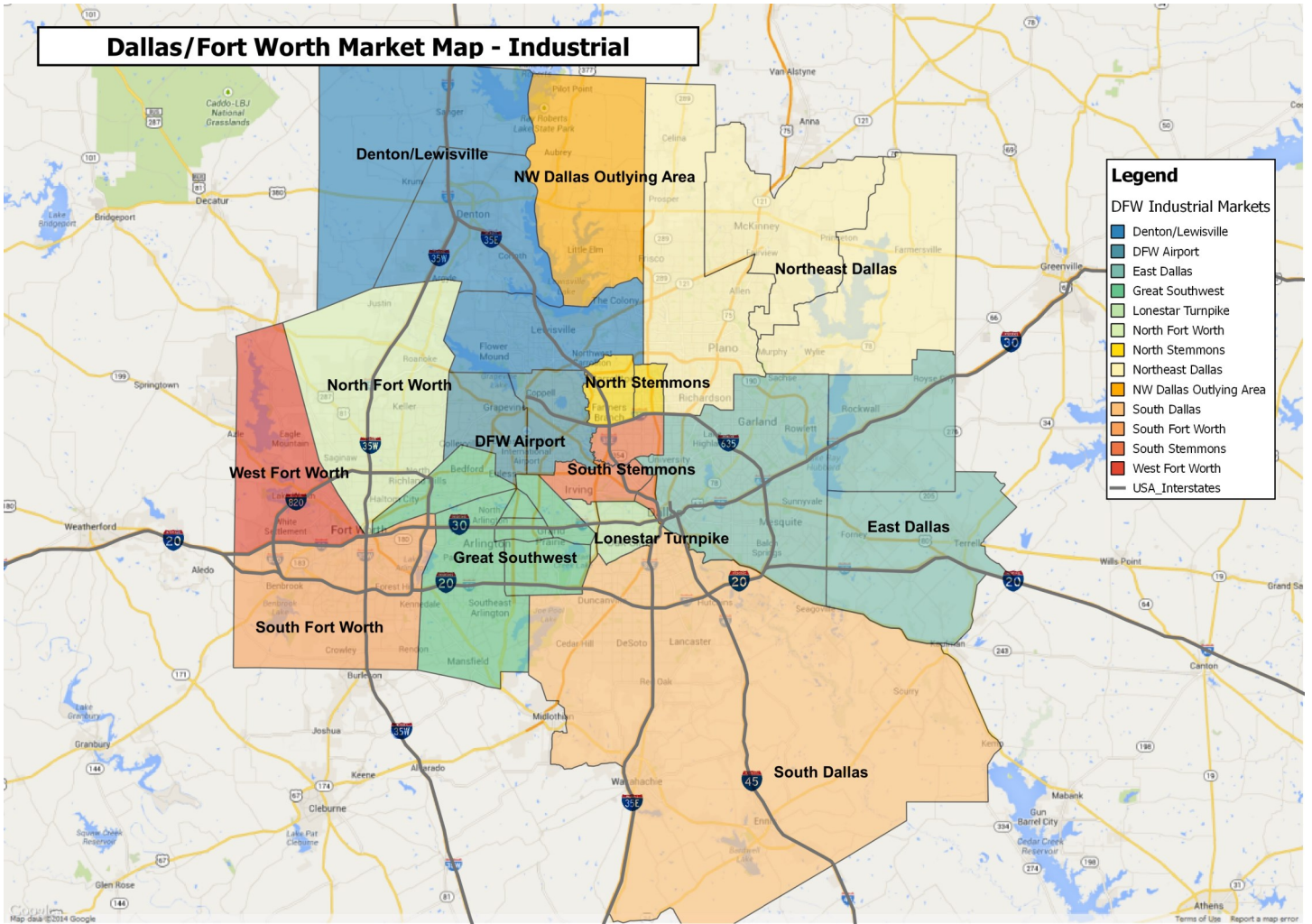


Xceligent is a leading provider of verified commercial real estate information which assists real estate professionals, appraisers, owners, investors and developers that make strategic decisions to lease, sell, buy and develop commercial properties.

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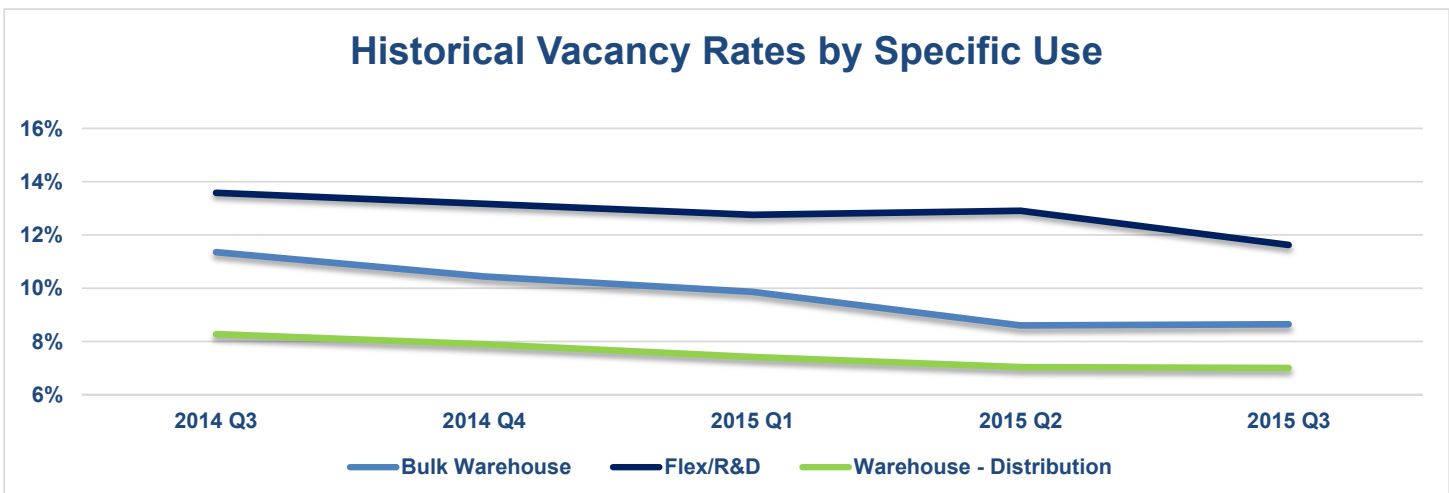
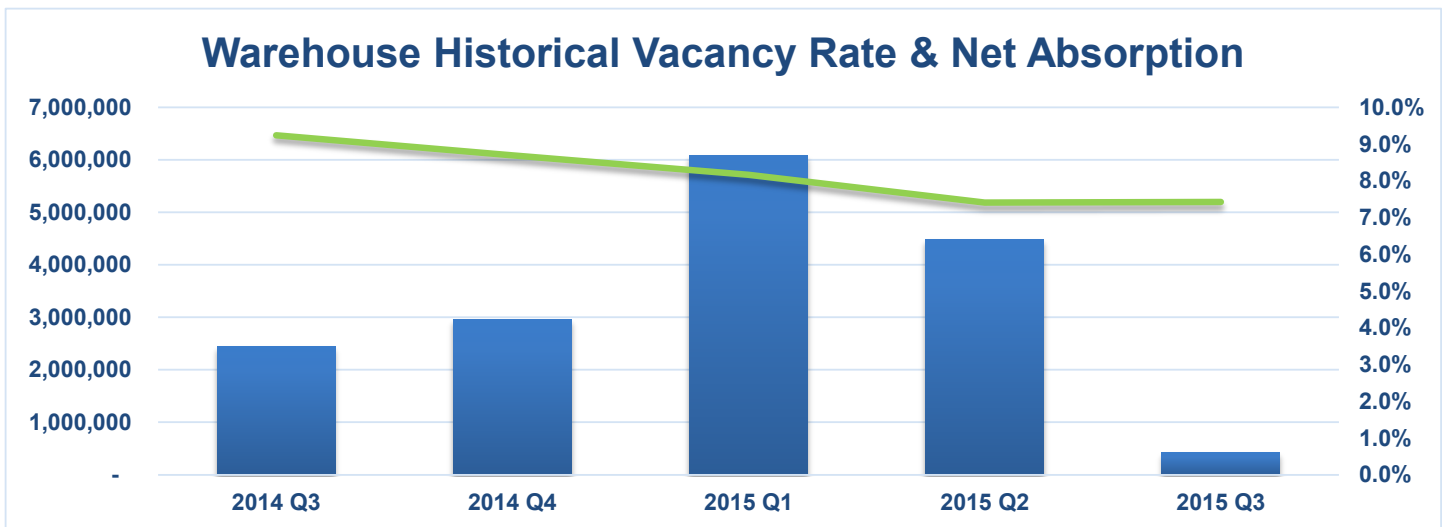
The Dallas-Fort Worth tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Tracked Inventory (Industrial)	The total square feet of all single and multi-tenant buildings greater than 20,000 sf, including owner occupied facilities. Large manufacturing facilities, data centers, airplane hangar space, truck terminals/courts and obsolete/remediation properties are excluded.
Total Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Total Vacant SF	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Net Absorption	The net change in occupied square feet from quarter to quarter, expressed in square feet.
Note	This report reflects Direct Vacancy and Absorption, Sublease space is excluded

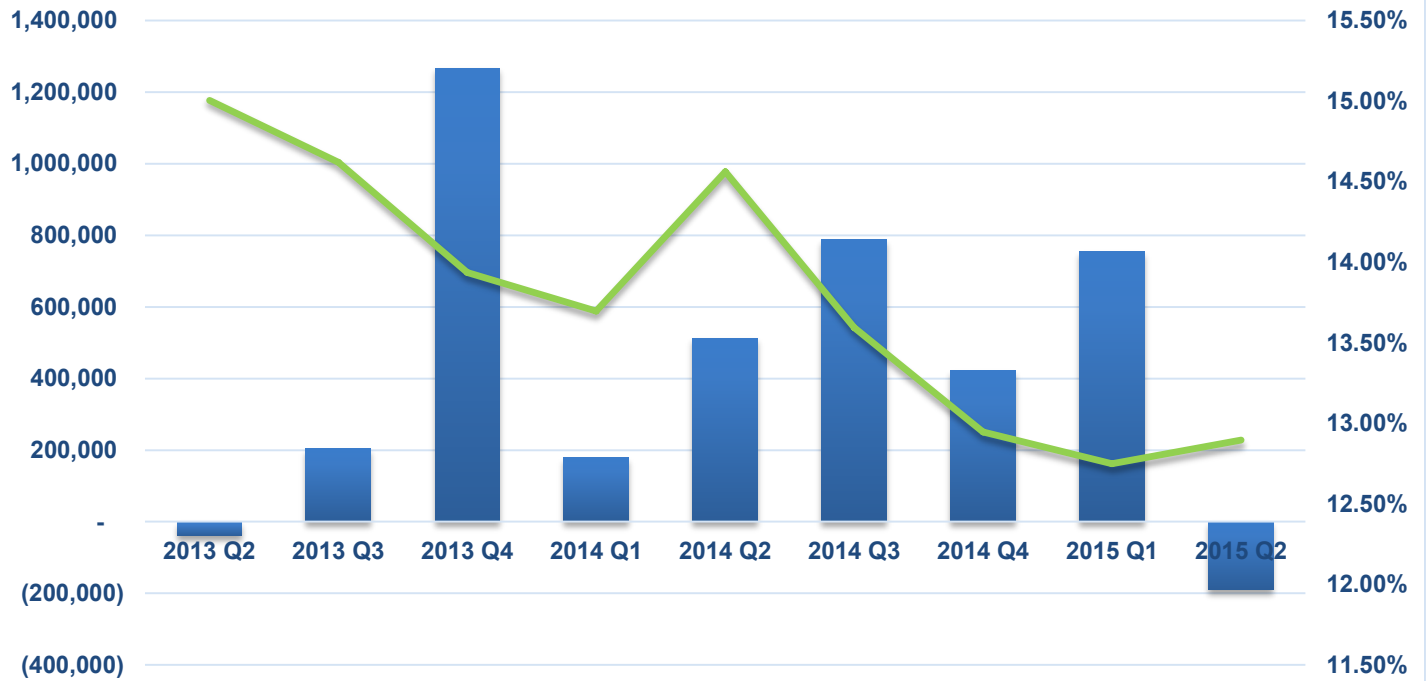


Overview

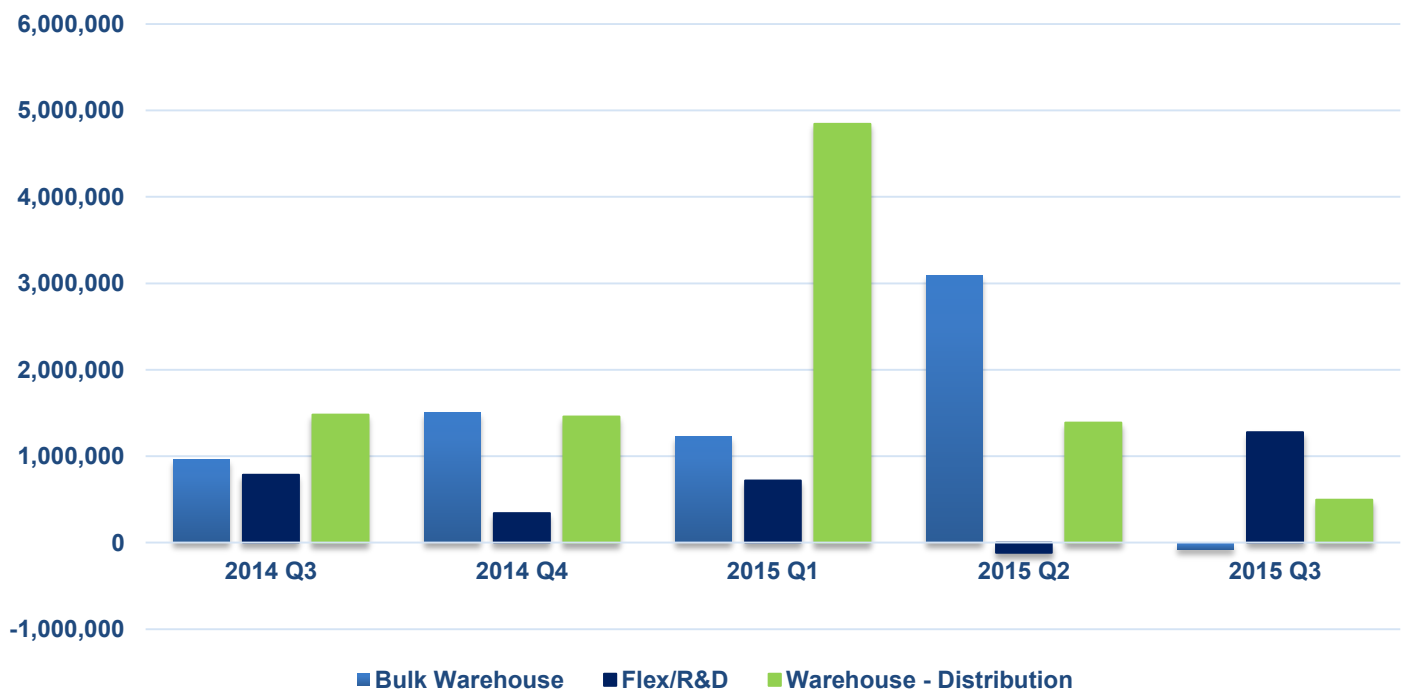
- Through three quarters of 2015 the Dallas-Fort Worth industrial market has absorbed 13.4 million square feet bringing the overall vacancy rate down to 8.1%.
- Warehouse vacancy remained relatively flat at 7.4% while Flex properties dropped by 1.3% currently sitting at 11.6%.
- The South Dallas and DFW Airport markets showed the highest gains during the third quarter. North Fort Worth had the biggest loss due to DSC Logistics and Flextronics vacating a combined 1 million square feet.
- South Dallas continues to lead the market in new construction, boasting over 6.5 million of the market’s total 15 million square feet of new construction.
- Overall the DFW market continues to be one of the healthiest industrial markets in the nation with construction and absorption expected to continue to trend up.



Flex/R&D Historical Vacancy Rate & Net Absorption



Historical Net Absorption by Specific Use



3rd Quarter 2015 - By Market



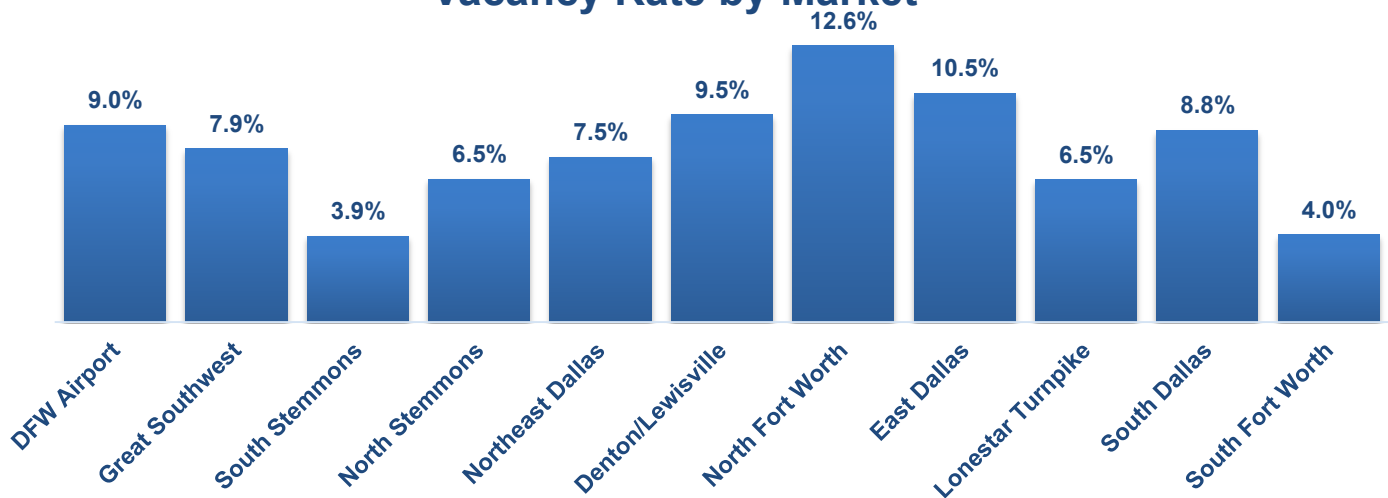
	# of Bldgs	Inventory (SF)	Total Available (SF)	Available Sublease (SF)	Vacancy Rate (%)	Net Absorption (SF)	YTD Net Absorption
DFW Airport	431	57,350,154	9,103,861	1,197,784	9.0%	592,255	757,377
Bulk Warehouse	77	25,180,548	3,495,240	701,526	6.0%	316,973	276,384
Flex/R&D	162	10,240,260	1,326,811	104,879	10.4%	2,532	(109,694)
Warehouse - Distribution	192	21,929,346	4,281,810	391,379	11.8%	272,750	590,687
Great Southwest	1,309	114,472,636	12,783,416	859,927	7.9%	(137,288)	1,904,058
Bulk Warehouse	75	26,328,892	2,477,742	478,556	3.2%	40,413	868,498
Flex/R&D	182	8,250,853	961,677	19,186	9.9%	61,103	218,459
Warehouse - Distribution	1,052	79,892,891	9,343,997	362,185	9.3%	(238,804)	817,101
South Stemmons	1,232	64,405,106	4,214,188	52,088	3.9%	213,402	841,363
Bulk Warehouse	30	7,210,714	370,701	18,768	1.8%	(43,079)	151,091
Flex/R&D	198	9,142,884	866,755	-	8.2%	92,510	121,534
Warehouse - Distribution	1,004	48,051,508	2,976,732	33,320	3.4%	163,971	568,738
North Stemmons	798	60,692,770	5,722,230	335,033	6.5%	29,741	804,198
Bulk Warehouse	43	11,064,453	571,789	-	3.1%	67,200	195,384
Flex/R&D	291	15,104,308	2,399,133	92,614	12.5%	161,614	96,767
Warehouse - Distribution	464	34,524,009	2,751,308	242,419	5.0%	(199,073)	512,047
Northeast Dallas	560	39,806,876	4,126,296	268,671	7.5%	172,568	895,692
Bulk Warehouse	14	3,888,973	289,646	-	7.4%	-	261,700
Flex/R&D	350	21,566,888	2,863,089	264,671	8.6%	182,618	346,973
Warehouse - Distribution	196	14,351,015	973,561	4,000	5.9%	(10,050)	287,019
Denton/Lewisville	273	29,828,770	3,681,586	55,017	9.5%	729,724	3,098,571
Bulk Warehouse	33	13,192,299	1,951,276	42,108	11.6%	-	508,238
Flex/R&D	70	4,354,434	600,937	8,109	8.4%	536,756	775,963
Warehouse - Distribution	170	12,282,037	1,129,373	4,800	7.6%	192,968	1,814,370
North Fort Worth	442	62,276,507	8,638,740	444,526	12.6%	(710,802)	(70,346)
Bulk Warehouse	85	30,880,126	3,746,565	400,000	10.8%	(1,021,920)	(564,557)
Warehouse - Distribution	308	26,037,709	3,405,833	8,400	8.2%	199,779	590,586
East Dallas	823	69,455,723	9,050,009	955,859	10.5%	(210,022)	(916,225)
Bulk Warehouse	33	11,060,907	2,700,398	814,172	19.0%	(93,217)	(663,275)
Flex/R&D	157	7,332,710	1,189,026	130,721	9.6%	60,480	196,457
Warehouse - Distribution	633	51,062,106	5,160,585	10,966	8.7%	(177,285)	(449,407)
Lonestar Turnpike	184	20,340,017	1,566,276	105,624	6.5%	418,029	1,158,141
Bulk Warehouse	29	10,795,584	1,152,345	105,624	9.7%	159,120	856,460
Flex/R&D	16	938,694	18,926	-	2.0%	22,700	55,327
Warehouse - Distribution	139	8,605,739	395,005	-	3.0%	236,209	246,354
South Dallas	406	53,810,393	5,350,739	-	8.8%	613,421	4,513,276
Bulk Warehouse	65	24,044,602	3,321,099	-	13.0%	500,000	2,357,958
Flex/R&D	47	2,228,602	76,463	-	3.4%	8,295	14,857
Warehouse - Distribution	294	27,537,189	1,953,177	-	5.5%	105,126	2,140,461
South Fort Worth	379	24,715,996	2,054,785	-	4.0%	26,809	440,820
Bulk Warehouse	4	1,204,226	-	-	0.0%	-	-
Flex/R&D	53	2,302,742	139,749	-	6.1%	38,641	233,790
Warehouse - Distribution	322	21,209,028	1,915,036	-	4.0%	(11,832)	207,030
West Fort Worth	84	4,293,799	132,633	-	2.3%	(35,204)	(14,429)
Flex/R&D	3	190,099	-	-	0.0%	-	-
Warehouse - Distribution	81	4,103,700	132,633	-	2.4%	(35,204)	(14,429)
Grand Total	6,921	601,448,747	66,424,759	4,274,529	8.1%	1,702,633	13,412,496

Historical Vacancy Rates & Asking Rates

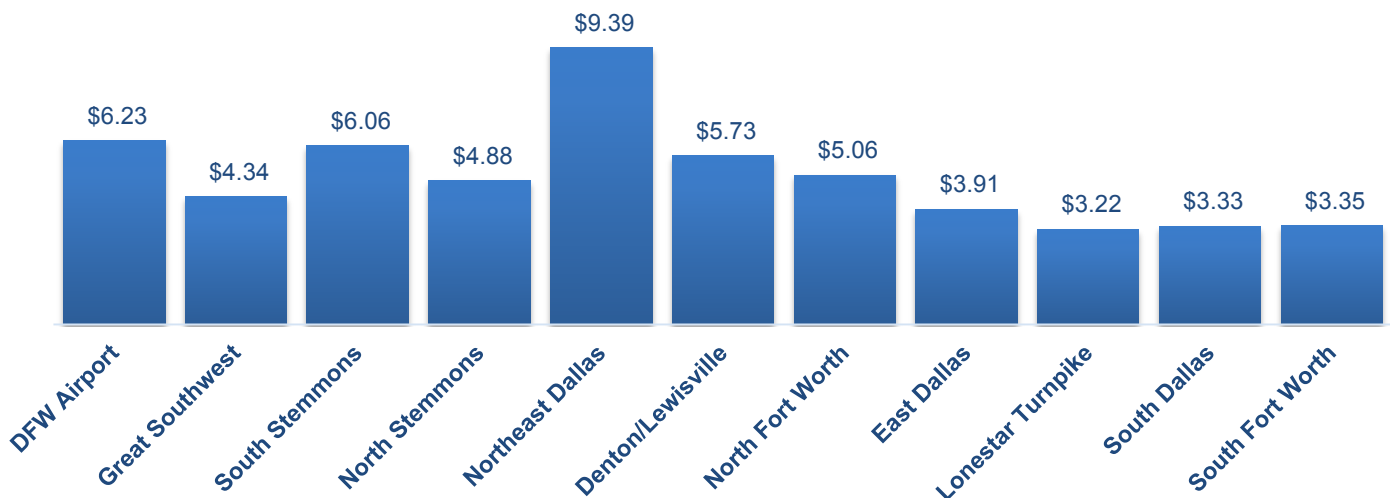


	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
DFW Airport	9.9%	9.2%	10.2%	10.5%	9.0%	\$ 6.30	\$ 7.26	\$ 6.85	\$ 6.22	\$ 6.23
Great Southwest	9.4%	9.4%	8.5%	8.1%	7.9%	\$ 4.05	\$ 4.13	\$ 4.38	\$ 4.34	\$ 4.34
South Stemmons	5.7%	5.2%	5.0%	4.3%	3.9%	\$ 5.36	\$ 5.20	\$ 5.96	\$ 5.78	\$ 6.06
North Stemmons	7.3%	7.0%	7.0%	6.0%	6.5%	\$ 4.60	\$ 4.78	\$ 4.86	\$ 4.96	\$ 4.88
Northeast Dallas	10.6%	9.5%	8.3%	7.9%	7.5%	\$ 7.30	\$ 6.01	\$ 7.21	\$ 7.00	\$ 9.39
Denton/Lewisville	13.6%	13.5%	12.0%	11.9%	9.5%	\$ 7.01	\$ 6.82	\$ 5.80	\$ 5.72	\$ 5.73
North Fort Worth	11.5%	11.3%	11.9%	11.5%	12.6%	\$ 3.78	\$ 3.77	\$ 3.78	\$ 3.75	\$ 5.06
East Dallas	7.8%	7.8%	7.5%	9.5%	10.5%	\$ 3.99	\$ 3.85	\$ 4.08	\$ 4.13	\$ 3.91
Lonestar Turnpike	11.8%	11.1%	8.9%	7.5%	6.5%	\$ 3.21	\$ 3.16	\$ 3.44	\$ 3.39	\$ 3.22
South Dallas	18.8%	16.1%	14.6%	10.0%	8.8%	\$ 3.30	\$ 3.22	\$ 3.49	\$ 3.33	\$ 3.33
South Fort Worth	6.5%	5.9%	4.4%	4.1%	4.0%	\$ 3.11	\$ 3.21	\$ 3.38	\$ 3.40	\$ 3.35
Grand Total	10.0%	9.4%	8.9%	8.4%	8.2%	\$ 4.81	\$ 4.70	\$ 4.91	\$ 4.83	\$ 5.19

Vacancy Rate by Market

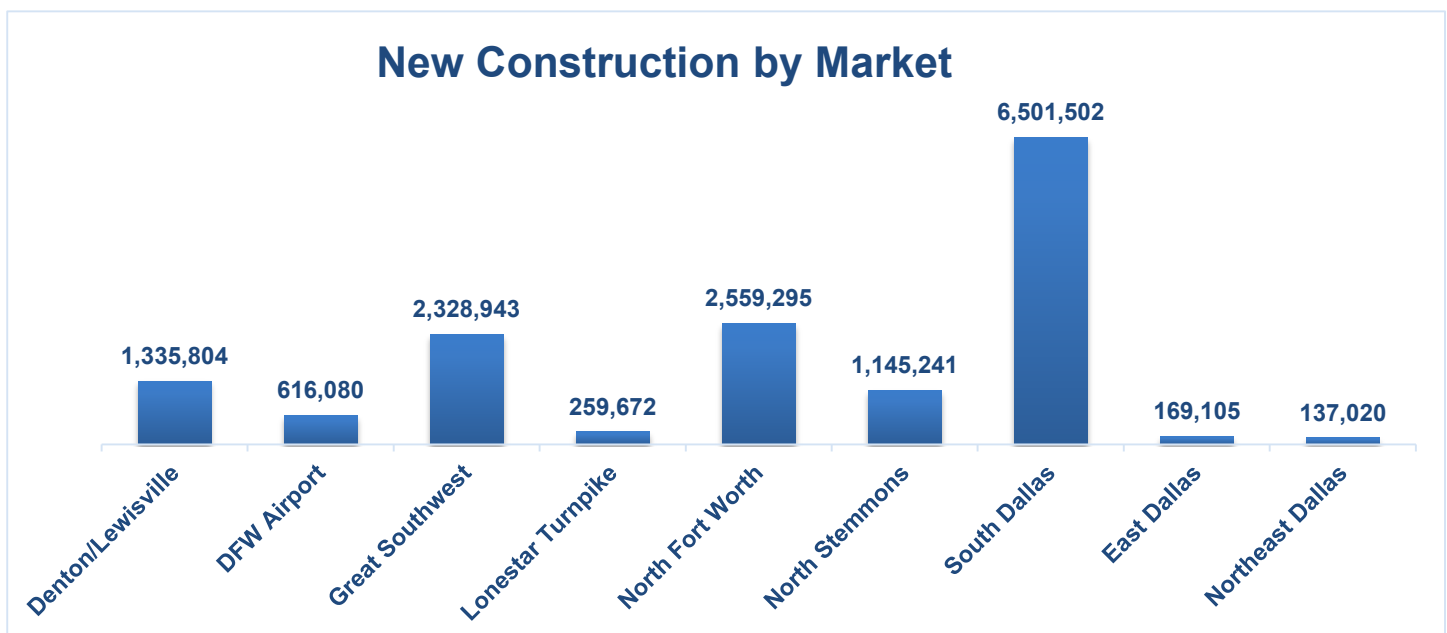


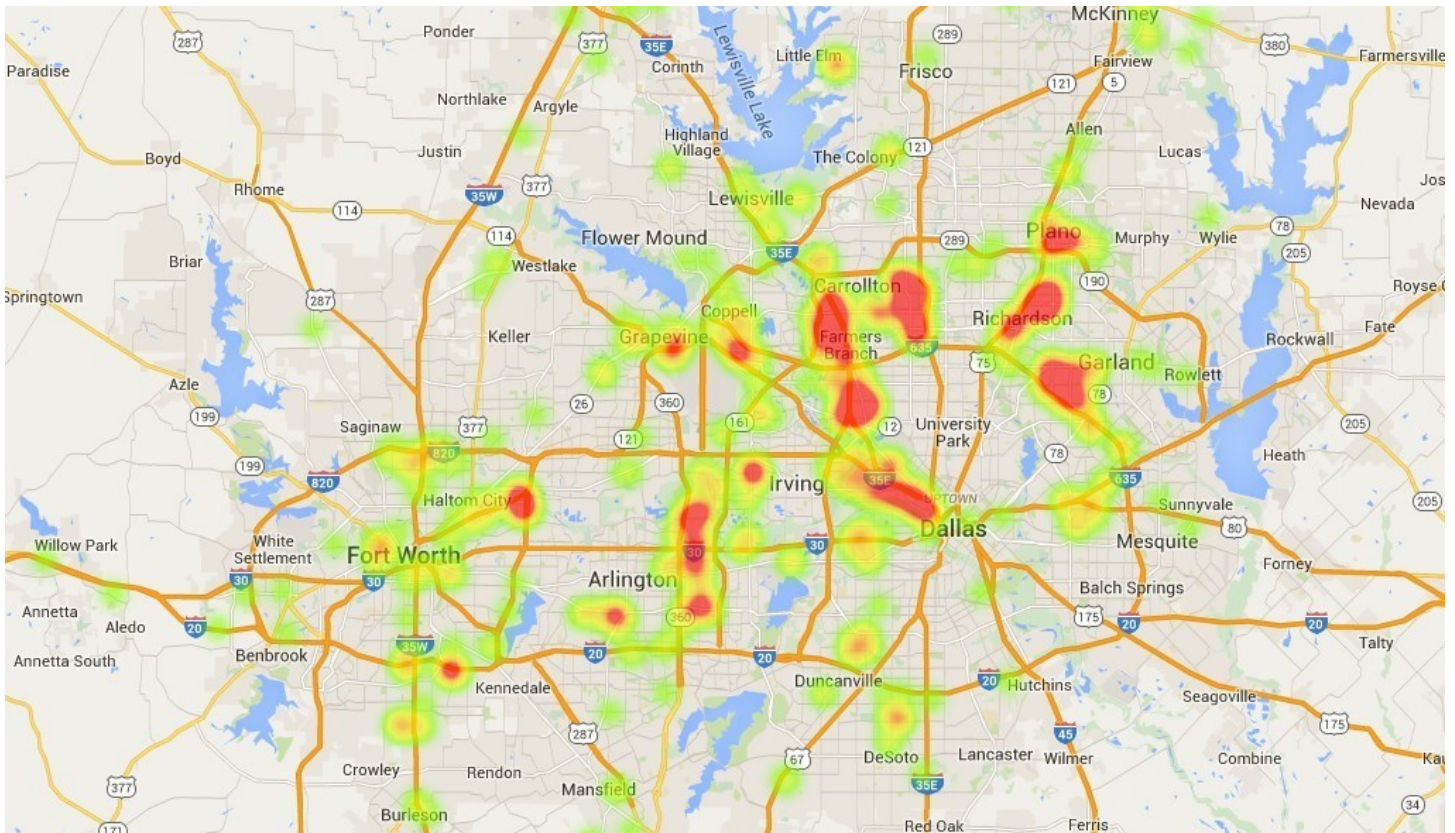
Average Asking Rates by Market



Notable Projects Underway		
Property Name	Building Size	Market
Southport Logistics Park Bldg 1	1,075,260	South Dallas
Logistics Crossing 2	775,094	Great Southwest
Ulta, Inc	670,000	South Dallas
Mountain Creek Bldg 2 - Crow Holdings	663,000	South Dallas
Northport 35 Business Center Bldg A	658,782	North Fort Worth
Mountain Creek Bldg 1 - Crow Holdings	630,000	South Dallas
Farmer Brothers Company	540,000	North Fort Worth
Commerce 20 Bldg 2 - Hillwood	488,565	South Dallas
CentrePort Bldg 5 - Hillwood	463,115	Great Southwest
Eagle Park 20/35 - Ridgeline Property Trust	454,408	South Dallas
Stoneridge Business Park Bldg 11	399,971	South Dallas
Southport Logistics Park Bldg 7	394,860	South Dallas
Park 161 Distribution Center - Avera	347,015	Great Southwest
DCT Waters Ridge - DCT Industrial	344,687	Denton/Lewisville
Majestic Airport Center DFW Bldg 6	329,060	Denton/Lewisville
Valwood Corporate Center Bldg 3	310,960	North Stemmons
Ridge Railhead Bldg 1	299,000	North Fort Worth
Southfield Park 35 Bldg 3	297,265	South Dallas
Valwood Corporate Center Bldg 4	261,120	North Stemmons
Mercer Business Park Bldg 2	260,000	North Stemmons
Turnpike West	259,672	Lonestar Turnpike
Wildlife Commerce Park - Falken Tire	255,000	Great Southwest
Planned PointSouth Logistics & Commerce Center III	249,060	South Dallas
First Arlington Commerce Center II	234,100	Great Southwest
Mountain Creek Corporate Center	230,664	South Dallas
Railhead Industrial Park Bldg 3	229,840	North Fort Worth
SouthPointe Bldg B	215,941	South Dallas
DFW Trade Center VIII	208,249	DFW Airport
Northport 35 Business Center Bldg B	202,522	North Fort Worth
NW of IH 20 and JJ Lemmon Rd	201,600	South Dallas
SouthPointe Bldg A	198,677	South Dallas
Mountain Creek Business Park	192,260	South Dallas
DFW Airport North Distribution Center II	185,000	Denton/Lewisville
Westgate Business Park - Bldg 2	169,469	Denton/Lewisville

Notable Projects Underway		
Property Name	Building Size	Market
3839 Distribution Dr	169,105	East Dallas
DFW Airport North Distribution Center III	164,580	Denton/Lewisville
DFW East Logistics Center Bldg C	161,782	DFW Airport
Valwood Corporate Center Bldg 1	158,777	North Stemmons
Valwood Corporate Center Bldg 2	154,384	North Stemmons
Parc North Bldg 3	149,093	North Fort Worth
Stoneridge Business Park 13	139,971	South Dallas
Frisco Commerce Center Bldg D	137,020	Northeast Dallas
Parc 114 Bldg 7	135,656	DFW Airport
CentrePort Bldg 3 - Hillwood	134,340	Great Southwest
Parc North Bldg 4	122,367	North Fort Worth
CentrePort Bldg 8 - Hillwood	120,279	Great Southwest
Railhead Industrial Park Bldg 7	99,000	North Fort Worth
Parc North Bldg 2	92,250	North Fort Worth
Northport 35 Business Center Bldg C	83,731	North Fort Worth
Parc North Bldg 1	82,710	North Fort Worth
Westgate Business Park Bldg 3	73,008	Denton/Lewisville
Workplace Resource Group	70,000	Denton/Lewisville
Parc 114 Bldg 8	56,256	DFW Airport
DFW East Logistics Center Bldg B	54,137	DFW Airport
Total SF and Building Count	15,052,662	





This map illustrates the density of industrial leasing activity across the metro. This is reflective of the number of leases signed not the aggregate of the total square footage. (YTD 2015)

Property Name	SF Occupied or Vacated	Tenant Name	Specific Use	Market
Valley Parkway Distribution Center	529,155	Kuehne & Nagel	Flex/R&D	Denton/Lewisville
Amazon	500,000	Amazon	Bulk Warehouse	South Dallas
FexEd Ground	304,608	FedEx	Warehouse - Distribution	North Fort Worth
DFW Trade Center VI	229,200	Forward Air	Bulk Warehouse	DFW Airport
Jupiter Trade Center	199,796	Andersen Windows	Warehouse - Distribution	East Dallas
Prologis Pinnacle 2	159,120	Mission Foods	Bulk Warehouse	Lonestar Turnpike
1255 Champion Cir	(153,632)	Sonoco Protective Services	Warehouse - Distribution	North Stemmons
3838 W Miller Rd	(199,456)	Grand Hall USA	Bulk Warehouse	East Dallas
Industrial Crossing	(330,000)	Waste Track Services	Warehouse - Distribution	Great Southwest
Former Apex Tool Group Facility	(341,840)	Apex Tool Group	Warehouse - Distribution	East Dallas
Alliance Gateway 2	(445,870)	Flextronics	Bulk Warehouse	North Fort Worth
Gateway Distribution	(603,050)	DSC Logistics	Bulk Warehouse	North Fort Worth

Dallas		Fort Worth	
CBRE	Steve Berger	CBRE	Bob Scully
	Steve Trese		John Brewer
	David Easterling	Bradford	Michael Spain
Colliers	Allen Gump		Jim Ferris
	Matt Thompson	Cassidy Turley	Blake Anderson
Duke Realty	Randy Wood	E Smith Realty Partners	Jim Hazard
Holt Lunsford	Josh Barnes	Holt Lunsford	Canon Shoults
Lee & Associates	George Tanghongs		Matt Carthey
	Nathan Denton		Donnie Rohde
	Brett Lewis	Lee & Associates	Mark Graybill
Lincoln Property	Michael Peinado	Jones Lang LaSalle	Jamie Galati
Mark V	Mike McCartan		George Curry
NAI Robert Lynn	Rick Medinis	NAI Robert Lynn	Michael Stanzel
	David Peterson		Patrick Embry
	Craig Jones	Prologis	Mitch Pruitt
	Robert Blankenship	Stream	Cannon Green
	John Leinbaugh	Transwestern	Jeff Givens
Prologis	Mitch Pruitt		
	Cody Riles		
Stream	Blake Kendrick	Research	
	Seth Koschack	CBRE	Lauren Paris
	Hanes Chatham		Julia Burman
	Jason Moser		Miller Hamrick
	Ryan Boozer	Jones Lang LaSalle	Steve Triolet
Transwestern	John Fulton		Walter Bialas
	Brett Owens	Colliers	Mike Otillio
Maverick	Brad Lipton	Swearingen	Greg Bennett
Mercer	Jeremy Mercer	Henry S Miller	Doug Prude
Avison Young	Matt Middendorf	PM Realty Group	Ariel Guerrero
Jim Lake Company	Conner Ivy	Cushman & Wakefield	Ryan Tharp
Hudson Peters	Michelle Hudson		
Younger Partners	Carter Crow		
Whitehall	Roy Greenberg		
	Jessica Reinhardt		

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy. **For more information, please contact :**

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