

# MARKETBEAT

## U.S. Industrial Snapshot Q1 2016



### U.S. INDUSTRIAL

#### Employment Indicators

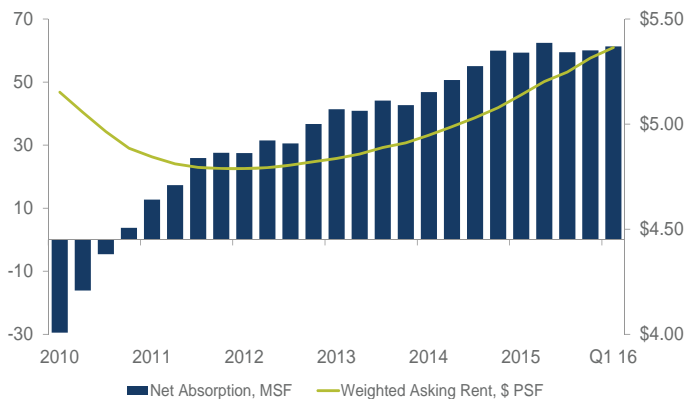
	Q1 15	Q1 16	12-Month Forecast
Total Nonfarm Employment	140.8M	143.5M	▲
Industrial Employment	24.9M	25.1M	▲
Unemployment	5.6%	4.9%	▼

Source: BLS

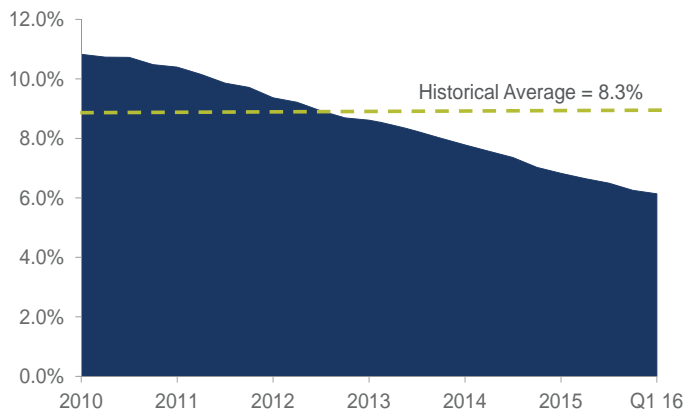
#### Market Indicators

	Q1 15	Q1 16	12-Month Forecast
Overall Vacancy	6.8%	6.1%	▼
Net Absorption	52.9M	57.9M	▲
Under Construction	147.8M	175.8M	▲
Weighted Asking Rent (NNN)	\$5.24	\$5.44	▲

#### Net Absorption/Rent NNN 4Q TRAILING AVERAGE



#### Overall Vacancy



Source: Cushman & Wakefield Research

### Economy

The turbulent start to the year saw confidence sagging and the economic expansion seemingly on shaky ground. But by the end of March, the U.S. economy had regained solid footing and the industrial property markets registered yet another robust quarter. Strong employment is always a dominant growth driver; it creates new income growth and adds to a solid base of consumer spending. Consumer spending in turn bolsters demand for manufacturing and warehouse space. Over the last 12 months, the U.S. economy has added 2.8 million nonfarm payroll jobs. The construction sector added 301,000 payrolls while the trade, transportation and utilities sector added 499,000 new workers. These industries are among the heaviest users of industrial space.

Cushman & Wakefield's outlook for manufacturing has improved since the beginning of 2016. U.S. factory activity expanded in March for the first time since last August, a sign the nation's economy is shaking off the effects of a strong dollar, depressed oil prices and weakened global growth. While headwinds persist for the manufacturing sector, the recent ISM reading (51.8 in March) suggests that the worst of the manufacturing slump may be over. Also promising, current production has picked up: new factory orders rose to their highest level since November 2014, and the backlogs of orders expanded for the first time since last summer - all signs suggesting the pickup in industrial production is unlikely to falter in the near term.

That said, businesses continue to work through elevated stockpiles accumulated over the first half of 2015 when record inventories outpaced demand. There has been progress: inventories have declined in four of the past five months, with the one exception being a flat reading in December. But despite these back-to-back inventory declines, the inventory-to-sales ratio remains elevated at 1.41 which suggests businesses will need to continue to work through the inventory overhang through the first half of 2016, hampering manufacturing and curbing GDP growth.

### Market Overview

U.S. industrial markets absorbed 57.8 million square feet (msf) of space in the first quarter of 2016, 9.3% more compared to first quarter 2015. This marks 24 consecutive quarters of positive net occupancy gains for the sector, placing the current expansion among the longest - and the strongest - on record. The U.S. industrial market shed over 182 msf of space during the economic downturn but has absorbed more than 990 msf during the current expansion.

The booming industrial expansion has been more broad-based than previous expansions, and widespread occupancy gains continue to be registered across the country. Twenty-two markets report over 1 msf of positive net absorption during the first quarter of the year. Occupier demand for modern industrial space also continues to grow, with new construction leasing of speculative and design-build industrial product delivered in the past 24 months accounting for over 75% of first quarter net absorption.

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## U.S. Industrial Snapshot Q1 2016



The national industrial vacancy rate continued to decline in the first quarter, falling by 20 basis points (bps) from the prior quarter and 70 bps from the prior year to 6.1%. Industrial vacancy is currently tracking at its lowest level of the past 30 years and is now a full 220 bps below its 10-year historical average. Vacancy rates declined or held firm during the quarter in 44 of the 79 markets tracked by Cushman & Wakefield. Strong leasing fundamentals have also driven vacancies for each industrial product lower than at any point in the last cycle.

The shopping fulfillment channel migration, to e-commerce, continues to support fundamentals by giving rise to net new users of industrial space. Over the past three years, e-commerce related tenant requirements have accounted for more than 40% of industrial net absorption. With e-commerce sales growing five times faster than overall retail sales, there is expected to be significant requirements for new industrial space in the future.

With vacancy at such low levels, there is a lack of functional, modern space on the market, and developers are responding with more speculative construction. In the first quarter, speculative projects under construction totaled 109.9 msf, which comprised 62.5% of the total 175.8 msf currently under construction. Despite this uptick in speculative construction, it remains a controlled development environment and the market is still well below the levels of development observed at the peak of the last cycle. From 2004 to 2009 over 776 msf of industrial product was delivered, 27% more than the 566 msf of product brought online during the current expansion.

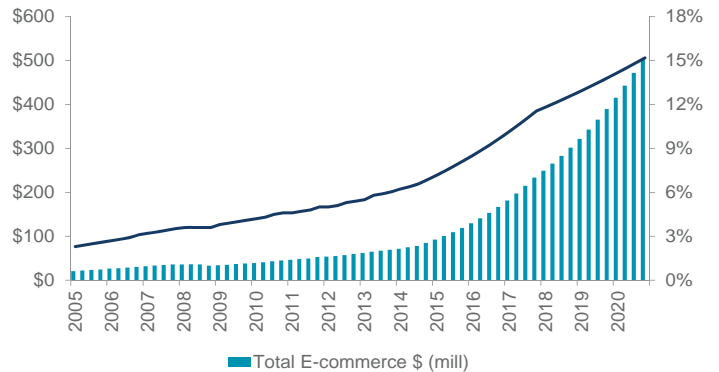
U.S. industrial rents increased 3.8% in the first quarter from their year-ago level. Industrial rents increased in 68 of 79 markets tracked by Cushman & Wakefield year over year, with over one-fifth of the markets across the country now registering double-digit gains. In many markets, industrial rents are currently either at their historic highs or quickly approaching them; on a national level we are witnessing rental rate appreciation for every industrial product type.

### Outlook

- The demand drivers for industrial remain firmly intact. Much of what drives demand for industrial space links to the U.S. consumer, and with expected wage and labor market gains, the consumer will have the wherewithal to drive growth.
- U.S. imports, which are closely tied to warehousing demand, will continue expanding in 2016 on the back of solid domestic demand and subdued import prices. Exports will rebound modestly.
- Expect 2016 to be another year where net absorption passes the 200 msf mark. Leasing demand will balance new deliveries and hold national vacancy steady.
- Rent growth is expected to drive value in 2016. Gains will continue to permeate all product types but will be most pronounced for product located in supply constrained infill locations.

### E-commerce Sales

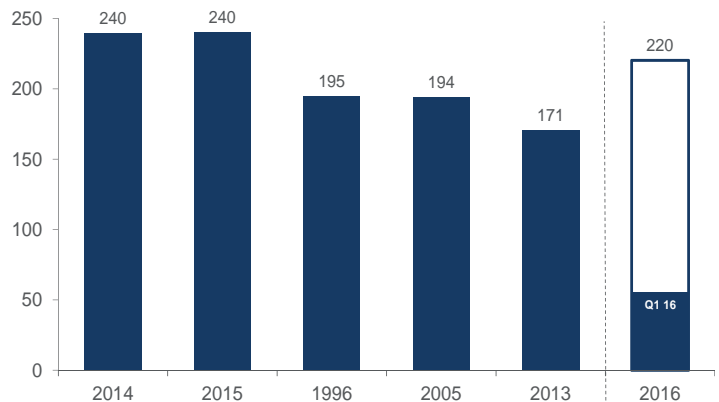
GROWTH OF ONLINE SALES IS A BOON FOR INDUSTRIAL



Source: U.S. Census Bureau

### Top Five Years for Industrial Net Absorption

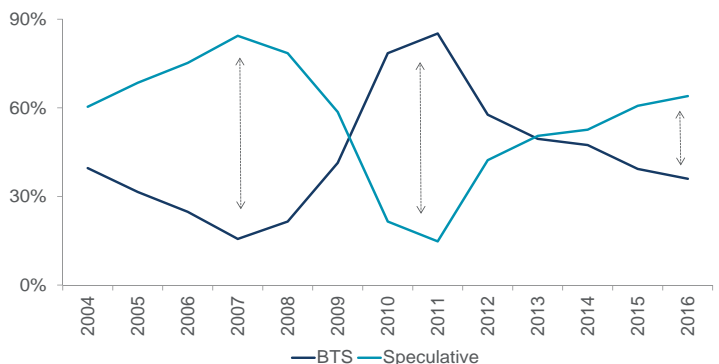
2016 IS ON TRACK TO BE ANOTHER STRONG YEAR



Source: Cushman & Wakefield Research

### Development Trends by Type (% of Total)

SPEC CONSTRUCTION IS CONTROLLED BUT GROWING



Source: Cushman & Wakefield Research

Demand Indicators (Overall)	Net Absorption				Net Absorption	Leasing Activity
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	
United States	52,922,204	65,657,493	56,546,209	65,141,181	57,864,307	106,455,724
Northeast	10,715,360	923,867	8,878,231	11,583,056	11,304,397	18,836,750
Midwest	10,298,436	13,172,780	13,784,087	11,522,524	13,785,447	15,725,227
South	16,490,398	24,907,690	16,640,923	22,626,849	21,950,556	31,232,809
West	15,418,010	26,653,156	17,242,968	19,408,752	10,823,907	40,660,938

U.S. Industrial Report Markets	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Net Absorption	Leasing Activity
Atlanta, GA	2,801,222	3,985,958	2,024,104	3,787,196	3,347,142	3,341,527
Austin, TX	256,247	594,625	535,220	385,165	185,653	507,638
Baltimore, MD	-44,448	778,856	515,020	273,161	n/a	n/a
Binghamton, NY	128,847	-347,566	47,200	-176,074	35,384	7,284
Birmingham, AL	112,872	152,331	-8,894	-176,074	108,076	179,256
Boston, MA	-384,311	-364,842	-299,942	1,943,370	-257,121	1,737,516
Buffalo, NY	n/a	n/a	n/a	n/a	-276,271	58,236
Charleston, SC	626,912	899,558	-671,776	870,931	1,179,476	79,272
Charlotte, NC	-10,144	411,302	44,315	275,502	-519,012	1,273,830
Chicago, IL	2,178,535	4,713,751	5,537,960	3,181,601	3,876,093	5,688,253
Cincinnati, OH	2,454,753	1,259,007	1,085,966	1,050,450	792,119	976,729
Cleveland, OH	19,991	1,288,175	264,832	680,698	962,071	298,885
Colorado Springs, CO	301,296	291,924	197,926	168,596	19,540	95,185
Columbus, OH	-500,772	1,304,121	316,303	958,752	1,381,183	2,031,085
Dallas/Ft. Worth, TX	5,366,809	4,651,749	1,344,169	5,158,085	6,796,414	5,408,596
Dayton, OH	-32,642	254,758	909,642	416,061	494,566	269,949
Denver, CO	764,334	857,435	748,877	-438,786	387,569	1,760,697
Detroit, MI	946,290	243,589	874,302	906,038	2,766,250	1,626,790
East Bay, CA	317,994	2,160,616	360,593	1,080,889	-386,962	3,828,905
El Paso, TX	11,941	194,337	683,500	390,000	1,576,642	3,504,441
Fort Myers/Naples, FL	-38,875	169,382	44,970	161,561	202,365	304,774
Fredericksburg, VA	94,804	184,404	53,029	-21,638	-18,880	26,692
Ft. Lauderdale, FL	345,876	25,500	482,672	51,158	881,639	1,177,181
Greater Los Angeles	2,791,601	2,864,646	3,591,968	2,184,513	1,444,842	8,528,837
Greenville, SC	50,539	634,353	1,108,045	866,914	830,107	506,950
Hampton Roads, VA	571,725	686,350	579,468	-21,546	-204,133	429,471
Hartford, CT	1,742,928	-241,903	146,502	-196,297	-161,857	114,852
Houston, TX	2,240,204	974,766	2,062,877	243,707	515,607	4,475,420
Indianapolis, IN	1,499,290	677,781	1,571,505	1,620,767	881,633	921,223
Inland Empire CA	3,341,394	9,264,382	3,778,078	6,018,135	3,695,254	10,205,515
Jacksonville, FL	-48,635	775,559	782,236	1,314,626	815,719	922,640
Kansas City, MO	1,456,781	634,460	1,032,936	919,847	782,718	1,611,921
Lakeland, FL	96,168	204,911	171,050	131,220	252,170	100,891
Las Vegas, NV	1,132,600	1,808,833	767,457	411,294	925,404	n/a
Long Island, NY	482,980	-1,053,678	-653,171	247,509	212,960	512,165
Louisville, KY	456,022	-146,656	1,380,064	1,292,708	1,073,355	1,369,442
Memphis, TN	1,028,887	3,322,321	2,186,850	1,542,588	1,322,408	2,560,210
Miami, FL	789,912	808,989	278,677	549,178	1,359,035	783,955
Milwaukee, WI	864,523	923,899	144,626	546,891	885,374	970,111
Minneapolis, MN	894,823	630,907	1,646,823	671,568	1,041,300	n/a

Demand Indicators (Overall)	Net Absorption				Net Absorption	Leasing Activity
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	
Nashville, TN	245,832	915,555	1,149,509	3,115,044	1,031,751	n/a
New Haven, CT	-5,801	158,553	242,326	-120,269	27,084	154,261
New Jersey - Central	2,283,988	1,290,660	2,889,095	2,797,263	5,065,321	6,232,897
New Jersey - Northern	415,164	579,859	988,107	1,281,402	1,276,577	2,943,662
Oklahoma City, OK	25,816	82,128	-91,810	-249,225	366,886	n/a
Omaha, NE	54,332	383,121	100,304	-67,189	-260,117	293,825
Orange County, CA	144,345	1,045,402	673,150	554,044	294,837	3,278,145
Orlando, FL	367,694	991,386	987,678	393,499	-210,863	1,050,365
Palm Beach County, FL	-89,425	67,920	159,760	277,198	560,967	363,976
PA I-81/I-78 Distribution Corridor	2,481,317	1,290,044	3,888,287	2,109,790	2,715,274	2,944,687
Philadelphia, PA	2,194,906	-560,205	2,044,302	1,852,105	1,459,721	3,027,787
Phoenix, AZ	2,025,974	1,601,101	821,688	4,027,249	1,386,180	4,398,355
Pittsburgh, PA	654,849	-49,040	-25,911	1,189,636	1,027,360	383,715
Portland, OR	947,124	864,706	919,682	3,128,684	439,415	1,333,417
Providence, RI	n/a	n/a	n/a	n/a	133,493	133,493
Puget Sound - Eastside	148,166	443,637	189,875	213,643	-318,429	403,614
Raleigh/Durham, NC	306,084	355,348	-24,322	847,787	108,522	437,678
Richmond, VA	246,523	325,686	-88,609	-197,984	-33,353	341,534
Roanoke, VA	1,201	1,187,389	53,300	239,271	-81,358	36,251
Rochester, NY	589,707	-746,878	-386,210	338,920	69,576	22,852
Sacramento, CA	925,428	122,798	1,163,411	-134,622	1,291,485	660,273
Salt Lake City, UT	454,470	36,315	977,388	512,920	410,524	832,360
San Antonio, TX	149,096	37,794	-64,086	304,981	-62,758	316,821
San Diego, CA	908,093	127,384	1,072,702	677,427	11,002	1,590,182
San Francisco North Bay, CA	101,006	-130,163	389,837	73,004	-39,051	106,736
San Francisco Peninsula, CA	117,025	-75,595	4,356	29,344	-8,995	572,929
San Jose (Silicon Valley), CA	-51,013	158,198	365,336	455,549	-6,387	1,181,123
Savannah, GA	n/a	655,960	n/a	610,191	n/a	n/a
Seattle, WA	439,442	2,995,775	443,811	-737,959	-100,020	1,086,613
Southern New Hampshire	131,425	895,172	-66,015	303,388	233,167	219,426
St. Louis, MO	462,532	859,211	298,888	637,040	182,257	1,036,456
St. Petersburg/Clearwater, FL	258,402	-51,479	6,741	20,082	62,588	132,965
Stockton/Tracy, CA	317,994	2,160,616	360,593	1,080,889	1,406,062	479,540
Suburban MD	150,085	418,368	177,624	107,919	231,842	595,792
Suburban VA	-6,187	151,208	122,019	-196,354	271,468	618,893
Syracuse, NY	-639	73,691	63,661	12,313	-256,271	343,917
Tampa, FL	31,380	459,123	610,082	375,052	91,258	386,348
Tucson, AZ	290,737	55,146	416,240	103,939	-28,363	318,512
Tulsa, OK	95,859	2,709	47,441	-95,054	-90,177	n/a

p = preliminary

Overall Vacancy Rate	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016p
United States	6.8%	6.6%	6.5%	6.3%	6.1%
Northeast	7.8%	7.9%	7.7%	7.3%	7.1%
Midwest	6.5%	6.5%	6.3%	6.2%	6.0%
South	7.8%	7.4%	7.4%	7.0%	7.1%
West	5.6%	5.3%	5.1%	4.9%	4.7%

U.S. Industrial Report Markets	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016p
Atlanta, GA	7.7%	7.7%	8.3%	7.9%	8.5%
Austin, TX	9.6%	8.6%	6.9%	6.1%	4.6%
Baltimore, MD	8.5%	8.5%	8.3%	8.3%	8.3%
Binghamton, NY	9.1%	11.3%	11.1%	12.4%	12.2%
Birmingham, AL	12.2%	11.1%	11.7%	12.4%	17.0%
Boston, MA	8.0%	8.1%	8.4%	7.8%	7.9%
Buffalo, NY	9.1%	9.2%	8.7%	8.8%	8.9%
Charleston, SC	7.9%	7.2%	8.6%	7.3%	8.0%
Charlotte, NC	4.3%	4.4%	6.2%	6.0%	6.4%
Chicago, IL	6.5%	6.8%	6.4%	6.4%	6.4%
Cincinnati, OH	4.5%	4.2%	4.4%	4.5%	4.2%
Cleveland, OH	6.0%	5.5%	5.4%	5.3%	5.2%
Colorado Springs, CO	8.8%	7.2%	7.7%	7.9%	9.3%
Columbus, OH	6.5%	5.5%	6.6%	6.5%	6.6%
Dallas/Ft. Worth, TX	8.3%	7.4%	7.7%	7.5%	6.9%
Dayton, OH	10.0%	9.7%	9.4%	9.1%	8.7%
Denver, CO	4.2%	4.1%	4.0%	4.3%	2.7%
Detroit, MI	6.4%	6.1%	5.7%	5.4%	5.0%
East Bay, CA	4.4%	4.1%	3.5%	3.5%	3.1%
El Paso, TX	13.1%	12.8%	12.1%	11.6%	8.7%
Fort Myers/Naples, FL	7.0%	6.6%	6.2%	5.8%	4.6%
Fredericksburg, VA	14.9%	13.1%	12.6%	12.8%	12.3%
Ft. Lauderdale, FL	6.5%	6.6%	6.0%	6.4%	7.1%
Greater Los Angeles	3.3%	3.0%	2.7%	2.3%	2.2%
Greenville, SC	7.9%	7.4%	7.3%	6.8%	7.4%
Hampton Roads, VA	7.2%	7.0%	6.5%	6.4%	7.0%
Hartford, CT	13.0%	12.8%	12.7%	12.6%	12.9%
Houston, TX	5.7%	5.7%	5.4%	5.5%	6.0%
Indianapolis, IN	7.7%	7.3%	7.6%	7.3%	5.3%
Inland Empire CA	6.1%	5.7%	6.0%	5.7%	5.5%
Jacksonville, FL	10.2%	9.4%	8.8%	8.0%	7.2%
Kansas City, MO	7.3%	8.0%	7.6%	7.4%	8.1%
Lakeland, FL	3.3%	3.8%	4.1%	3.5%	5.0%
Las Vegas, NV	7.3%	6.6%	6.3%	6.8%	6.1%
Long Island, NY	8.0%	8.9%	9.2%	8.3%	7.5%
Louisville, KY	5.6%	5.9%	5.6%	4.9%	5.5%
Memphis, TN	13.1%	10.9%	10.6%	9.8%	9.9%
Miami, FL	6.4%	6.3%	6.1%	5.7%	4.9%
Milwaukee, WI	5.6%	5.1%	4.8%	4.7%	4.8%
Minneapolis, MN	9.8%	10.9%	9.7%	9.9%	8.7%

Overall Vacancy Rate	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016p
Nashville, TN	6.3%	6.0%	5.4%	4.7%	4.3%
New Haven, CT	13.7%	12.9%	12.7%	12.4%	12.7%
New Jersey - Central	8.4%	8.0%	7.4%	6.1%	5.1%
New Jersey - Northern	7.7%	7.2%	7.0%	6.7%	6.3%
Oklahoma City, OK	6.2%	6.3%	6.2%	6.7%	6.5%
Omaha, NE	2.8%	2.9%	2.7%	3.0%	3.5%
Orange County, CA	3.8%	3.5%	3.0%	2.8%	2.8%
Orlando, FL	8.1%	7.9%	7.5%	7.3%	6.9%
Palm Beach County, FL	5.7%	5.5%	4.9%	4.4%	5.4%
PA I-81/I-78 Distribution Corridor	4.4%	5.4%	5.0%	5.2%	6.6%
Philadelphia, PA	5.3%	6.2%	5.8%	5.6%	5.6%
Phoenix, AZ	11.1%	11.2%	11.1%	10.3%	10.1%
Pittsburgh, PA	7.5%	6.8%	7.2%	6.8%	6.2%
Portland, OR	5.1%	5.3%	5.3%	4.9%	4.8%
Providence, RI	2.0%	1.7%	1.3%	0.8%	0.6%
Puget Sound - Eastside	10.2%	9.5%	6.5%	6.2%	6.9%
Raleigh/Durham, NC	8.1%	7.0%	6.1%	5.0%	6.3%
Richmond, VA	8.0%	7.8%	7.7%	7.9%	8.1%
Roanoke, VA	9.2%	8.4%	8.3%	7.6%	9.6%
Rochester, NY	10.3%	11.3%	11.8%	11.4%	11.3%
Sacramento, CA	10.8%	10.9%	10.5%	10.8%	10.3%
Salt Lake City, UT	6.7%	6.7%	7.2%	7.3%	7.1%
San Antonio, TX	10.5%	11.4%	11.2%	10.4%	10.2%
San Diego, CA	6.0%	5.8%	5.3%	5.0%	5.0%
San Francisco North Bay, CA	7.0%	7.6%	6.5%	6.2%	6.7%
San Francisco Peninsula, CA	3.7%	3.9%	3.9%	3.8%	3.4%
San Jose (Silicon Valley), CA	4.9%	4.5%	4.0%	3.4%	3.2%
Savannah, GA	7.1%	5.6%	5.6%	2.2%	2.2%
Seattle, WA	5.9%	4.8%	4.3%	5.0%	5.8%
Southern New Hampshire	18.3%	17.7%	17.4%	16.2%	16.0%
St. Louis, MO	6.6%	6.7%	6.5%	6.6%	6.9%
St. Petersburg/Clearwater, FL	5.5%	5.7%	5.6%	5.1%	5.5%
Stockton/Tracy, CA	8.6%	6.3%	7.1%	7.1%	7.3%
Suburban MD	11.9%	11.7%	12.2%	12.2%	12.6%
Suburban VA	11.8%	11.7%	11.5%	11.9%	9.0%
Syracuse, NY	11.3%	11.1%	10.9%	10.8%	11.2%
Tampa, FL	7.8%	7.6%	6.7%	6.1%	6.2%
Tucson, AZ	10.2%	10.0%	9.4%	9.2%	9.6%
Tulsa, OK	8.5%	8.3%	8.3%	7.8%	8.0%

p = preliminary

Weighted Average Asking Rent	Overall (All Property Types)				Overall (All Property Types)	W/D	MFG
	Q1 2015	Q2 2015	Q3 2015	Q4 2015		Q1 2016	
United States	\$5.24	\$5.31	\$5.31	\$5.40	\$5.44	\$4.86	\$5.04
Northeast	\$5.49	\$5.49	\$5.53	\$5.53	\$5.65	\$5.35	\$4.41
Midwest	\$4.11	\$4.19	\$4.25	\$4.31	\$4.40	\$4.10	\$4.14
South	\$4.94	\$5.01	\$5.01	\$5.13	\$5.18	\$4.50	\$4.14
West	\$6.69	\$6.88	\$6.83	\$7.02	\$6.97	\$5.93	\$7.29

U.S. Industrial Report Markets	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Overall	W/D	MFG
Atlanta, GA	\$4.03	\$4.20	\$4.20	\$4.29	\$4.27	\$3.70	\$3.34
Austin, TX	\$9.36	\$9.36	\$9.84	\$9.94	\$9.09	\$8.38	n/a
Baltimore, MD	\$5.40	\$5.37	\$5.40	\$5.61	\$5.61	\$4.72	n/a
Binghamton, NY	\$4.65	\$4.71	\$4.83	\$4.83	\$4.74	\$4.36	\$3.60
Birmingham, AL	\$4.49	\$4.67	\$4.69	\$4.58	\$3.61	\$3.32	n/a
Boston, MA	\$5.28	\$5.28	\$5.40	\$5.40	\$5.79	\$5.53	\$5.29
Buffalo, NY	\$4.13	\$4.13	\$4.13	\$4.13	\$4.13	\$4.25	\$3.95
Charleston, SC	\$4.45	\$4.53	\$4.67	\$4.93	\$4.96	\$4.95	\$4.76
Charlotte, NC	\$4.88	\$4.23	\$4.26	\$4.24	\$4.96	\$4.45	\$4.51
Chicago, IL	\$4.54	\$4.64	\$4.79	\$4.85	\$4.87	\$4.81	\$4.31
Cincinnati, OH	\$3.76	\$3.74	\$3.81	\$3.89	\$3.97	\$3.28	\$3.74
Cleveland, OH	\$3.77	\$3.78	\$3.86	\$3.87	\$3.89	\$3.60	n/a
Colorado Springs, CO	\$6.40	\$6.43	\$6.92	\$6.83	\$6.01	\$6.01	n/a
Columbus, OH	\$3.20	\$3.30	\$3.30	\$3.38	\$3.35	\$3.35	n/a
Dallas/Ft. Worth, TX	\$4.97	\$5.00	\$5.00	\$5.09	\$5.47	\$4.19	\$4.06
Dayton, OH	\$3.07	\$3.05	\$3.19	\$3.21	\$3.21	\$3.22	\$2.91
Denver, CO	\$7.60	\$7.75	\$7.96	\$8.24	\$7.71	\$5.57	\$8.52
Detroit, MI	\$4.80	\$4.92	\$4.92	\$5.04	\$5.15	\$4.56	\$4.56
East Bay, CA	\$6.70	\$6.88	\$6.76	\$7.23	\$7.72	\$6.48	\$9.49
El Paso, TX	\$3.70	\$3.70	\$3.75	\$3.75	\$3.90	\$3.95	\$3.80
Fort Myers/Naples, FL	\$5.83	\$6.10	\$6.25	\$6.37	\$6.36	\$6.03	\$6.03
Fredericksburg, VA	\$5.66	\$5.55	\$5.47	\$5.53	\$5.72	\$5.87	\$5.04
Ft. Lauderdale, FL	\$7.50	\$7.51	\$7.63	\$7.75	\$8.76	\$8.32	\$8.49
Greater Los Angeles	\$7.37	\$7.69	\$7.79	\$8.09	\$8.26	\$7.89	\$7.88
Greenville, SC	\$3.43	\$3.40	\$3.44	\$3.86	\$3.44	\$3.54	\$3.15
Hampton Roads, VA	\$4.97	\$4.96	\$4.87	\$5.03	\$5.05	\$4.86	\$4.63
Hartford, CT	\$4.31	\$4.28	\$4.21	\$4.18	\$4.31	\$4.39	\$3.88
Houston, TX	\$5.68	\$6.04	\$6.09	\$6.05	\$6.02	\$5.89	\$5.16
Indianapolis, IN	\$3.90	\$3.96	\$3.93	\$3.97	\$4.20	\$3.78	\$4.05
Inland Empire CA	\$5.19	\$5.24	\$5.38	\$5.75	\$5.90	\$4.93	\$5.87
Jacksonville, FL	\$3.90	\$4.00	\$3.91	\$4.05	\$4.05	\$3.57	\$2.38
Kansas City, MO	\$4.01	\$4.12	\$4.10	\$4.14	\$4.29	\$3.81	\$3.79
Lakeland, FL	\$4.62	\$4.64	\$4.50	\$4.53	\$4.63	\$4.53	\$4.55
Las Vegas, NV	\$6.73	\$7.02	\$7.18	\$7.19	\$7.01	\$6.50	n/a
Long Island, NY	\$8.78	\$8.83	\$8.87	\$8.63	\$8.15	\$8.00	\$7.89
Louisville, KY	\$3.61	\$3.66	\$3.65	\$3.52	\$3.61	\$3.51	\$3.03
Memphis, TN	\$2.47	\$2.47	\$2.53	\$2.50	\$2.35	\$2.14	n/a
Miami, FL	\$6.42	\$6.85	\$6.95	\$7.08	\$7.98	\$8.19	\$5.56
Milwaukee, WI	\$4.12	\$4.10	\$4.22	\$4.29	\$4.41	\$3.95	\$4.31
Minneapolis, MN	\$4.43	\$4.33	\$4.48	\$4.63	\$4.65	\$4.41	n/a

Weighted Average Asking Rent	Overall (All Property Types)				Overall (All Property Types)	W/D	MFG
	Q1 2015	Q2 2015	Q3 2015	Q4 2015		Q1 2016	
Nashville, TN	\$3.89	\$3.90	\$3.94	\$4.03	\$4.05	\$4.73	\$2.06
New Haven, CT	\$4.95	\$4.99	\$5.08	\$5.23	\$5.20	\$4.74	\$4.80
New Jersey - Central	\$6.08	\$6.02	\$5.82	\$6.06	\$6.59	\$5.82	\$3.47
New Jersey - Northern	\$6.66	\$6.66	\$6.92	\$7.03	\$7.42	\$6.83	\$6.16
Oklahoma City, OK	\$4.71	\$4.34	\$4.03	\$4.00	\$4.21	\$3.70	\$3.12
Omaha, NE	\$5.83	\$4.21	\$5.34	\$5.28	\$5.16	\$4.50	\$3.95
Orange County, CA	\$8.98	\$9.22	\$9.42	\$9.62	\$9.76	\$8.31	\$9.02
Orlando, FL	\$5.97	\$6.13	\$6.25	\$6.36	\$6.51	\$5.10	\$6.07
Palm Beach County, FL	\$10.94	\$7.91	\$7.79	\$7.93	\$9.30	\$8.38	\$8.37
PA I-81/I-78 Distribution Corridor	\$4.10	\$4.16	\$4.07	\$4.31	\$4.35	\$4.33	\$3.50
Philadelphia, PA	\$5.02	\$4.71	\$4.76	\$4.70	\$4.52	\$4.21	\$3.55
Phoenix, AZ	\$6.07	\$6.27	\$6.14	\$6.29	\$6.26	\$4.66	\$7.04
Pittsburgh, PA	\$5.39	\$5.77	\$5.69	\$5.74	\$7.21	\$4.93	\$4.56
Portland, OR	\$6.50	\$6.54	\$6.47	\$6.72	\$6.85	\$5.79	\$5.72
Providence, RI	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.70	n/a
Puget Sound - Eastside	\$9.95	\$10.08	\$9.22	\$9.84	\$9.89	\$9.14	\$6.59
Raleigh/Durham, NC	\$6.46	\$6.68	\$7.24	\$7.77	\$7.39	\$5.37	\$4.00
Richmond, VA	\$4.34	\$4.45	\$4.43	\$4.43	\$4.41	\$3.83	\$4.01
Roanoke, VA	\$4.22	\$3.92	\$3.93	\$4.14	\$4.17	\$4.04	\$4.33
Rochester, NY	\$4.24	\$4.84	\$4.84	\$4.84	\$4.84	\$3.25	\$4.75
Sacramento, CA	\$4.51	\$4.57	\$4.65	\$4.74	\$4.40	\$4.61	\$5.00
Salt Lake City, UT	\$4.88	\$5.16	\$5.16	\$5.28	\$5.30	\$5.06	\$4.44
San Antonio, TX	\$5.83	\$5.66	\$5.76	\$5.74	\$5.58	\$4.61	n/a
San Diego, CA	\$10.32	\$10.80	\$11.40	\$11.52	\$11.76	\$9.12	\$10.20
San Francisco North Bay, CA	\$10.09	\$9.97	\$10.22	\$10.69	\$10.53	\$9.47	\$10.71
San Francisco Peninsula, CA	\$11.04	\$11.88	\$12.12	\$11.64	\$12.20	\$11.21	\$17.32
San Jose (Silicon Valley), CA	\$8.64	\$8.70	\$8.93	\$9.84	\$9.96	\$7.92	\$12.24
Savannah, GA	\$3.95	\$4.03	\$4.03	\$4.22	\$4.22	\$3.81	n/a
Seattle, WA	\$5.74	\$5.88	\$5.94	\$5.84	\$5.85	\$5.76	\$4.66
Southern New Hampshire	\$5.71	\$5.72	\$5.74	\$5.69	\$5.76	\$5.12	\$5.27
St. Louis, MO	\$4.03	\$4.20	\$4.21	\$4.22	\$4.07	\$3.73	\$6.68
St. Petersburg/Clearwater, FL	\$6.65	\$6.80	\$7.23	\$7.43	\$7.40	\$5.76	\$5.71
Stockton/Tracy, CA	\$3.80	\$3.80	\$3.75	\$3.88	\$4.17	\$3.96	\$4.32
Suburban MD	\$8.88	\$8.83	\$8.62	\$9.20	\$9.20	\$8.06	n/a
Suburban VA	\$10.64	\$11.05	\$10.87	\$11.02	\$11.18	\$9.00	n/a
Syracuse, NY	\$3.55	\$3.59	\$3.87	\$3.82	\$3.56	\$3.39	\$3.12
Tampa, FL	\$5.34	\$5.35	\$5.30	\$5.31	\$5.42	\$4.29	\$3.55
Tucson, AZ	\$6.47	\$6.47	\$6.39	\$6.92	\$6.90	\$6.27	\$6.13
Tulsa, OK	\$4.35	\$4.44	\$4.56	\$4.52	\$4.49	\$4.83	\$3.83

p = preliminary



Inventory	Inventory	Deliveries YTD	Under Construction as of Q1 2016p
United States	13,866,336,892	51,717,556	175,842,859
Northeast	2,175,583,715	8,404,223	24,368,994
Midwest	3,818,044,110	10,547,309	38,845,109
South	4,056,051,534	22,904,505	74,660,631
West	3,816,657,533	9,861,519	37,968,125

U.S. Industrial Report Markets	Inventory	Deliveries YTD	Under Construction as of Q1 2016p
Atlanta, GA	539,223,939	6,128,194	10,385,433
Austin, TX	69,095,787	174,870	861,600
Baltimore, MD	204,841,572	n/a	n/a
Binghamton, NY	17,676,688	n/a	0
Birmingham, AL	15,240,259	0	0
Boston, MA	209,562,622	32,000	1,110,241
Buffalo, NY	110,203,208	0	1,894,230
Charleston, SC	62,437,833	1,371,277	3,106,211
Charlotte, NC	157,278,779	287,891	980,832
Chicago, IL	1,154,901,087	1,957,389	12,952,160
Cincinnati, OH	276,767,471	101,000	4,576,451
Cleveland, OH	484,260,864	808,500	1,558,800
Colorado Springs, CO	33,494,808	0	0
Columbus, OH	244,076,570	1,446,856	3,682,254
Dallas/Ft. Worth, TX	561,481,484	4,481,635	22,779,493
Dayton, OH	112,410,134	65,400	660,900
Denver, CO	239,835,063	61,870	4,170,061
Detroit, MI	486,299,591	513,807	2,353,181
East Bay, CA	195,341,502	41,365	3,528,670
El Paso, TX	51,790,980	445,000	0
Fort Myers/Naples, FL	40,682,197	0	242,353
Fredericksburg, VA	10,166,234	0	n/a
Ft. Lauderdale, FL	83,011,875	103,515	596,768
Greater Los Angeles	1,076,849,896	556,949	2,870,185
Greenville, SC	188,670,438	0	7,078,800
Hampton Roads, VA	94,306,800	0	43,000
Hartford, CT	92,057,251	0	0
Houston, TX	390,996,249	2,846,884	7,850,509
Indianapolis, IN	246,029,723	1,273,669	1,041,200
Inland Empire CA	480,393,988	2,907,803	13,372,419
Jacksonville, FL	104,372,430	510,433	392,545
Kansas City, MO	202,131,971	2,425,985	4,961,287
Lakeland, FL	32,437,762	345,000	605,920
Las Vegas, NV	110,197,888	722,731	1,857,173
Long Island, NY	129,459,126	0	722,000
Louisville, KY	138,222,977	2,008,189	3,459,669
Memphis, TN	188,614,202	1,781,513	604,000
Miami, FL	141,577,995	206,220	3,013,729
Milwaukee, WI	197,511,905	541,315	1,028,696
Minneapolis, MN	104,671,130	207,000	1,738,000

Inventory	Inventory	Deliveries YTD	Under Construction as of Q1 2016p
Nashville, TN	197,773,127	148,050	4,677,760
New Haven, CT	48,566,293	0	80,500
New Jersey - Central	333,844,211	930,030	3,200,956
New Jersey - Northern	289,927,681	315,000	637,131
Oklahoma City, OK	68,724,246	0	428,203
Omaha, NE	68,564,706	264,328	598,842
Orange County, CA	282,501,296	405,907	393,968
Orlando, FL	109,276,118	142,696	1,338,125
Palm Beach County, FL	38,213,098	225,198	513,270
PA I-81/I-78 Distribution Corridor	245,885,732	5,990,979	11,376,988
Philadelphia, PA	285,992,760	724,912	4,025,030
Phoenix, AZ	302,044,574	1,590,871	2,696,317
Pittsburgh, PA	170,700,811	396,302	1,137,918
Portland, OR	191,887,159	296,732	1,893,223
Providence, RI	77,727,305	n/a	n/a
Puget Sound - Eastside	61,032,672	230,378	0
Raleigh/Durham, NC	48,632,875	133,350	512,723
Richmond, VA	90,583,794	83,000	221,000
Roanoke, VA	45,060,061	n/a	n/a
Rochester, NY	73,551,473	0	0
Sacramento, CA	133,898,042	0	0
Salt Lake City, UT	123,265,993	0	2,927,131
San Antonio, TX	39,847,171	524,137	629,144
San Diego, CA	160,728,634	543,330	766,800
San Francisco North Bay, CA	22,855,664	0	268,000
San Francisco Peninsula, CA	39,787,911	0	0
San Jose (Silicon Valley), CA	83,871,014	0	563,760
Savannah, GA	47,145,374	0	2,841,185
Seattle, WA	140,384,596	754,483	1,388,218
Southern New Hampshire	48,001,232	0	0
St. Louis, MO	240,418,958	942,060	3,693,338
St. Petersburg/Clearwater, FL	51,416,782	0	0
Stockton/Tracy, CA	97,748,759	1,749,100	467,000
Suburban MD	47,830,665	420,880	1,019,500
Suburban VA	56,614,258	393,573	289,109
Syracuse, NY	42,427,322	15,000	184,000
Tampa, FL	80,452,998	0	0
Tucson, AZ	40,538,074	0	805,200
Tulsa, OK	60,031,175	143,000	189,750

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. The firm's 43,000 employees in more than 60 countries provide deep local and global insights that create significant value for occupiers and investors around the world. 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](http://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

