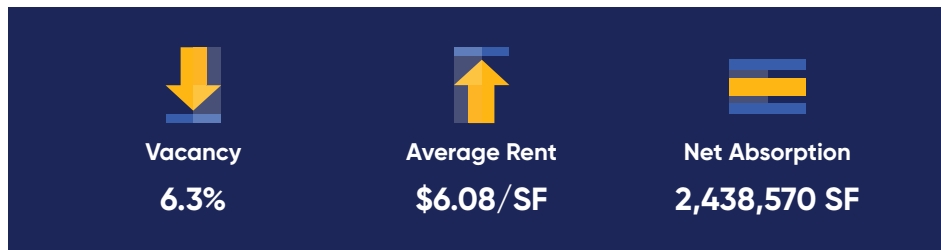


# Market Report

Charlotte's industrial market continued to be strong in the 3rd quarter of 2019. According to CoStar, year over year, average market rents have risen 4.5% from \$5.77 in Q3 2018 to \$6.08 in Q3 2019. Industrial vacancy rates remained steady from Q2 to Q3 at around 6.3% while rising from 5.3% in Q3 2018. Development continues with 3.1 million square feet of industrial space delivered in Q3, with vacancy rates expected to rise as we move into the first half of 2020.

## Absorption, Vacancy and Rental Rate



### Absorption Rates

Q3 2019	▲	2,438,570 SF
Q2 2019	▲	1,268,318 SF
Q1 2019	▼	92,759 SF
Q4 2018	▼	965,948 SF

### Vacancy Rates

Q3 2019	<b>6.3%</b>
Q2 2019	<b>6.9%</b>
Q1 2019	<b>7.1%</b>
Q4 2018	<b>6.5%</b>

### Rental Rates

Flex	\$11.56/SF
Warehouse	\$6.00/SF
Q3 2019 Industrial	\$6.08/SF
Q2 2019 Industrial	\$5.96/SF

Source: CoStar

## Recent Transactions

Occupier	Size	Submarket	Type	Sector
1 Undisclosed	298,753 SF	State Line Industrial	Bulk Warehouse	Industrial
2 Undisclosed	216,900 SF	State Line Industrial	Bulk Warehouse	Industrial
3 Undisclosed	96,000 SF	State Line Industrial	Bulk Warehouse	Industrial
4 Amain Com., Inc.	48,223 SF	State Line Industrial	Bulk Warehouse	Industrial
5 Forward Air	41,000 SF	Airport/West Industrial	Flex	Industrial
6 Undisclosed	37,668 SF	I-227/30th Street	Warehouse	Industrial
7 Undisclosed	33,000 SF	State Line Industrial	Warehouse	Industrial
8 Undisclosed	17,617 SF	Airport/West Industrial	Flex	Industrial

## Occupier's Perspective



The five largest submarkets by total inventory are Stateline, Iredell County, York County, Gaston County and Cabarrus County.



We recommend that occupiers begin to formulate a strategy for renewal or relocation a minimum of 12 months from your lease expiration.

## Market Trends



**Amazon** opened an 855,000 SF distribution center near the Charlotte airport.

Groundbreaking recently occurred for **Honeywell's** corporate headquarters building in uptown Charlotte.

Nearly **5.3 million square feet of industrial facilities** are currently under construction in the Charlotte market.