

## Did you know?

DFW is the fastest growing and the 3rd largest industrial market in the country behind Los Angeles & Chicago. DFW now has over a billion SF of industrial product on the ground with an additional 60M SF in the pipeline.



## QUARTERLY STATISTICS

\$12.52/SF

Average Rental Rate NNN

5.0%

Vacancy Rate

18.1M

Inventory SF

\$140/SF

Average Sale Price

693K

Net Absorption SF

953K

Construction Complete SF

## ECONOMIC DATA

- Rental rates have increased 9.4% annually through Q2.
- Average sales pricing remains steady at \$140/SF.
- There are currently 24 industrial projects under construction totaling 2.5M SF.
- An additional 3.5M SF of industrial product is proposed / planned, bringing the total incoming supply to 6M SF.

## SUBMARKET FORECAST

- We expect to see continued slowdown in sales activity, given the high interest rate environment and lending difficulties from regional banks. As a result, we're expecting sales pricing to remain steady moving forward.
- With 2.5M SF of new projects delivering in the next year or so, there will be an increase vacancy / availability. We expect rental pricing to continue to grow, as developers push to achieve higher yields to offset high construction costs and debt service.
- Future development is expected to slow with limited remaining land zoned for industrial development and high pricing expectations from sellers.

## CONTACT

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