REAL ESTATE OUTLOOK

DALLAS-FORT WORTH INDUSTRIAL MARKET

FIRST QUARTER 2016

DEMAND

Steady absorption

Net absorption of industrial product in the Dallas/Fort Worth market totaled almost 4.3 million SF in the first quarter of 2016. Demand remains strong and will likely continue at high levels throughout the year. Dallas/Fort Worth ranks as one of the most in-demand markets for industrial space in the nation. The overall market vacancy rate was at 6.7% at the end of the first quarter of 2016.

Notable fourth quarter leases

Amazon – 1,041,879 SF at 15201 Heritage Parkway (CBRE) – in the North Fort Worth submarket

Mother Parkers Tea & Coffee – 417,600 SF at 1101 Everman Parkway (Lee & Associates) – in the South Fort Worth submarket

NFI Industries, Inc. – 308,109 SF at 1101 Everman Parkway (Lee & Associates) – in the South Fort Worth submarket

Anchor Fabrication. – 224,800 SF at 4600 Blue Mound Road (Transwestern) – in the North Fort Worth submarket

Biaggi – 200,825 SF at 3001 East Pioneer Parkway (Lee & Associates) – in the Great Southwest submarket

SUPPLY AND DEVELOPMENT

Construction continues at high levels

At the first quarter of 2016, 23.8 million SF of industrial space was under construction. New deliveries for the first quarter totaled 4.25 million SF.

South Dallas is the most active submarket, with over 7.5 million SF currently underway, totaling 32% of total construction activity in the Metroplex. South Dallas is closely followed by the Great Southwest submarket at 7.1 million SF, the North Fort Worth market at 5.4 million SF and the DFW Airport submarket at nearly 1.7 million SF. Northwest Dallas and Northeast Dallas submarkets follow,

Net absorption by sector

SECTOR	TOTAL SF Q1 2016
Dallas	1,725,000
Fort Worth/GSW	2,558,000
DFW Total	**4,283,000**

Q1 2016 Vacancy by sector

SECTOR	DIRECT	OVER ALL
Dallas	6.9%	7.1%
Fort Worth/GSW	5.9%	6.0%
DFW Total	**6.6%**	**6.7%**

TRANSWESTERN®

both now surpassing the million-square-foot mark, at nearly 1.1 million SF and 1.0 million SF, respectively. As the year progresses, expect additional build-to-suit and speculative construction projects to announce.

RENTAL RATES

Asking rates up slightly

Industrial asking rental rates increased by 0.39% in the first quarter of 2016. The average asking rent for available Warehouse product in DFW is $4.29 per SF. Strong demand from prospects for space, coupled with more aggressive underwriting targets have contributed to the steady rate increases in this cycle.

CAPITAL MARKETS

DFW capital in-flows remain strong

Industrial product remains the most stable and coveted of the commercial asset classes due to its high occupancy, balance of absorption relative to new construction deliveries and simplicity of management and re-tenanting. Accordingly, cap rate compression has ceased, as CMBS debt is harder to attain, and there remains a slight bias for interest rates to continue slightly upward. Rental rate growth potential and continued capital flows into the industrial sector bode well for on-going appreciation, particularly with the appetite remaining for portfolio acquisitions to deploy as large a swath of capital as viable per transaction, plus the possibility of rents continuing higher.

After several platform and significant portfolio acquisitions last year, major trades have slowed in the first half of 2016. As such, 2015 posted record industrial sales volume, eclipsing even 2005-2006's peak. Due to the abundance of trades over the past two years, the market is expected to see sales volume slow down during 2016, yet prices-per-foot continue to rise. Class A distribution industrial cap rates will remain in the 4.75% - 5.25% range, B product at 6.5 - 7.5%, and C product, particularly with functional issues, at 8%+. Flex product will see accelerated sales volume this year, as recent absorption and rent spikes in a few well-positioned submarkets have helped bolster financials and the story lines of a product type with no near-term development, thus heightening accelerating rent growth.

Industrial space under construction or renovation

SUBMARKET	Q1 2016 SF
SE Dallas	5,003,816
Upper GSW	4,523,413
NE Tarrant Alliance	2,824,756
Meacham	2,569,599
Arlington/Mansfield	1,845,453
Redbird Airport	1,132,394
SW Dallas	1,116,622
N Stemmons	1,059,873
Denton/Lewisville	925,758
Lower GSW	775,094
E DFW Airport	747,359
NE Dallas/Garland	407,350
Lonestar	292,200
Allen/McKinney	284,081
Rockwall	175,000
Plano	156,640
DFW Total	**23,839,408**

WHY OUR METHODOLOGY IS THE BEST INDICATOR OF CURRENT MARKET CONDITIONS:

We include owner occupied and single-tenant buildings in our inventory, vacancy and absorption statistics to capture more market activity than many of our competitors. This allows us to better correlate changes in the market with changes in employment. As single-tenant space does compete with multi-tenant space, we believe it is critical to understand all components of the market. The inclusion of single-tenant and owner-occupied space tends to yield lower vacancy rates and higher absorption totals than some of our competitors' results, but our coverage of the market is more comprehensive.

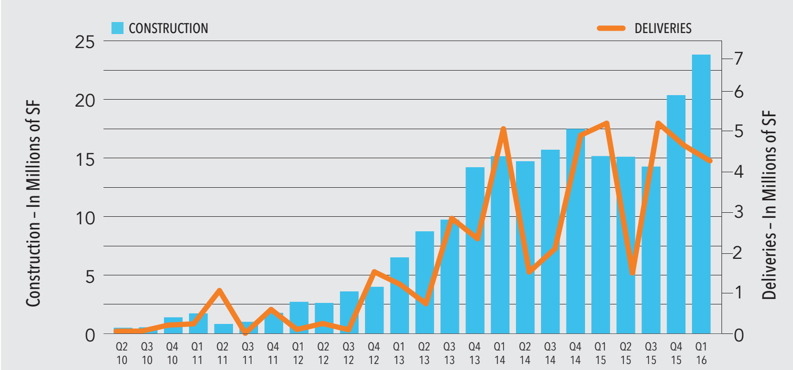
Industrial Market Outlook

The DFW industrial market's strong year in 2015 continued into the first quarter of 2016. We expect to see demand to remain robust throughout the year, keeping vacancy rates low and rental rates above historic norms. Of note, construction levels have reached significantly high levels and will need to be monitored in the coming quarters.

Industrial submarkets that are likely to outperform in the period ahead, with declining vacancy and rising rents include:

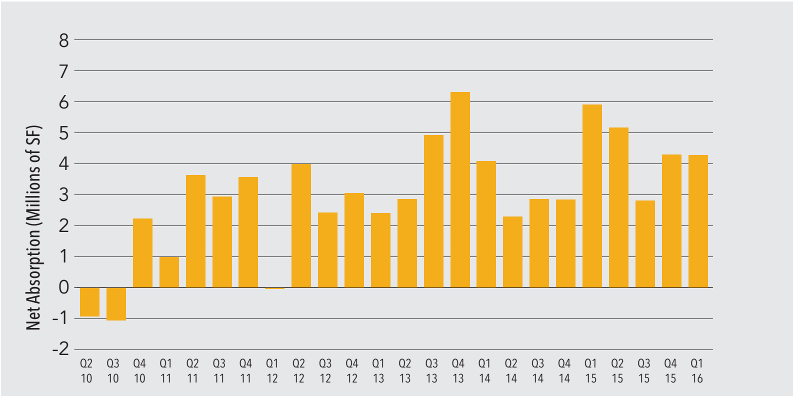
DFW Airport
North Fort Worth
Great Southwest

INDUSTRIAL CONSTRUCTION & DELIVERIES – DALLAS-FORT WORTH



SOURCE: CoStar, Transwestern; March 2016

INDUSTRIAL ABSORPTION – DALLAS-FORT WORTH



SOURCE: CoStar, Transwestern; March 2016

DALLAS-FORT WORTH INDUSTRIAL MARKET

FIRST QUARTER 2016

Dallas Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
Allen/McKinney										
Flex/High-Tech	2,389,871	181,214	181,214	7.3%	7.6%	22,875			(102,000)	(86,000)
Manufacturing	1,138,781	38,930	38,930	3.4%	3.4%	166,955			(25,000)	(119,000)
Warehouse/Distribution	8,132,134	136,067	136,067	5.4%	1.7%	94,211			448,000	120,000
Total – Allen/McKinney	**11,660,786**	**356,211**	**356,211**	**5.6%**	**3.1%**	**284,041**	**(784,201)**	**462,746**	**321,000**	**(85,000)**
Brookhollow										
Flex/High-Tech	10,355,191	395,921	395,921	3.0%	3.8%				208,000	3,000
Manufacturing	5,781,073	284,394	284,394	2.9%	4.9%				43,000	0
Warehouse/Distribution	37,030,348	913,605	913,605	2.8%	2.5%				575,000	(75,000)
Total – Brookhollow	**53,166,612**	**1,593,920**	**1,593,920**	**2.8%**	**3.0%**	**0**	**150,622**	**186,536**	**826,000**	**(72,000)**
Central East Dallas										
Flex/High-Tech	5,447,473	179,090	187,145	3.5%	3.4%				45,000	3,000
Manufacturing	2,432,874	0	0	0.0%	0.0%				-	(17,000)
Warehouse/Distribution	12,429,900	557,320	577,320	4.0%	4.6%				314,000	545,000
Total – Central E Dallas	**20,310,247**	**736,410**	**764,465**	**3.4%**	**3.8%**	**0**	**(138,923)**	**36,370**	**359,000**	**531,000**
Denton/Lewisville										
Flex/High-Tech	5,178,142	516,555	516,555	10.0%	10.0%				(125,000)	21,000
Manufacturing	3,201,268	28,386	28,386	0.3%	0.9%				82,000	0
Warehouse/Distribution	29,781,041	2,562,199	2,591,017	8.9%	8.7%	925,758			2,520,000	(93,000)
Total – Denton/Lewisville	**38,160,451**	**3,107,140**	**3,135,958**	**8.3%**	**8.2%**	**925,758**	**1,362,595**	**210,239**	**2,477,000**	**(72,000)**
East Dallas/Mesquite										
Flex/High-Tech	2,844,619	837,433	837,433	29.5%	29.4%				(49,000)	(44,000)
Manufacturing	1,191,794	122,611	122,611	10.3%	10.3%				(109,000)	0
Warehouse/Distribution	16,439,493	920,143	920,143	5.0%	5.6%				19,000	(395,000)
Total – E Dallas/Mesquite	**20,475,906**	**1,880,187**	**1,880,187**	**8.7%**	**9.2%**	**0**	**617,179**	**677,030**	**(139,000)**	**(439,000)**
East DFW Airport										
Flex/High-Tech	7,416,231	1,018,166	1,018,166	13.1%	13.7%				211,000	1,000
Manufacturing	559,605	0	0	0.0%	0.0%				102,000	0
Warehouse/Distribution	44,466,028	3,919,955	3,961,035	7.2%	8.9%	747,359			1,302,751	(19,000)
Total – E DFW Airport	**52,441,864**	**4,938,121**	**4,979,201**	**8.0%**	**9.5%**	**747,359**	**734,418**	**3,171,887**	**1,615,751**	**(18,000)**
Hines North										
Flex/High-Tech	9,319,710	463,405	463,405	5.0%	5.0%				44,000	1,000
Manufacturing	908,020	1,834	1,834	0.2%	0.2%				8,000	-
Warehouse/Distribution	19,829,980	575,906	593,816	2.9%	3.0%				(56,000)	(19,000)
Total – Hines North	**30,057,710**	**1,041,145**	**1,059,055**	**3.5%**	**3.5%**	**0**	**(163,452)**	**486,611**	**(4,000)**	**(18,000)**

See following pages for additional Dallas-Fort Worth industrial indicators.

Dallas Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
Lonestar/Turnpike										
Flex/High-Tech	3,032,072	115,282	115,282	3.5%	3.8%				38,000	(8,000)
Manufacturing	6,841,371	4,552,937	4,552,937	67.6%	66.6%				95,000	71,000
Warehouse/Distribution	26,250,626	825,633	825,633	2.3%	3.1%	292,200			646,000	(215,000)
Total – Lonestar/Turnpike	**36,124,069**	**5,493,852**	**5,493,852**	**14.9%**	**15.2%**	**292,200**	**(1,157,306)**	**(94,588)**	**779,000**	**(152,000)**
Metropolitan/Addison										
Flex/High-Tech	8,924,053	1,081,869	1,087,438	11.8%	12.2%				390,000	(31,000)
Manufacturing	1,370,542	151,945	151,945	1.8%	11.1%				(24,000)	(128,000)
Warehouse/Distribution	11,281,386	241,791	241,791	2.9%	2.1%				125,000	81,000
Total – Metro/Addison	**21,575,981**	**1,475,605**	**1,481,174**	**6.5%**	**6.9%**	**0**	**455,412**	**348,520**	**491,000**	**(78,000)**
N Stemmons/Valwood										
Flex/High-Tech	7,092,868	696,247	696,247	10.2%	9.8%				77,000	24,000
Manufacturing	2,430,524	193,950	193,950	2.2%	8.0%				270,000	(140,000)
Warehouse/Distribution	40,804,815	1,518,019	1,615,465	4.9%	4.0%	1,059,873			929,000	393,000
Total – N Stemmons/Valwood	**50,328,207**	**2,408,216**	**2,505,662**	**5.5%**	**5.0%**	**1,059,873**	**1,225,212**	**2,130,347**	**1,276,000**	**277,000**
North Trinity										
Flex/High-Tech	6,668,274	504,649	504,649	6.1%	7.6%				121,000	(97,000)
Manufacturing	544,358	35,811	35,811	4.4%	6.6%				(6,000)	(12,000)
Warehouse/Distribution	6,714,140	348,570	348,570	5.7%	5.2%				164,000	34,000
Total – North Trinity	**13,926,772**	**889,030**	**889,030**	**5.8%**	**6.4%**	**0**	**138,130**	**196,530**	**279,000**	**(75,000)**
NE Dallas/Garland										
Flex/High-Tech	9,507,385	451,629	451,629	5.1%	4.8%				270,000	30,000
Manufacturing	4,787,270	500,792	500,792	16.2%	10.5%				532,000	277,000
Warehouse/Distribution	34,917,139	1,910,313	2,318,423	7.6%	6.6%	407,350			892,327	325,000
Total – NE Dallas/Garland	**49,211,794**	**2,862,734**	**3,270,844**	**7.9%**	**6.6%**	**407,350**	**160,085**	**407,550**	**1,694,327**	**632,000**
Plano										
Flex/High-Tech	6,896,294	457,988	475,448	6.9%	6.9%	156,640			98,000	(3,000)
Manufacturing	2,645,990	20,316	20,316	0.8%	0.8%				1,000	0
Warehouse/Distribution	10,949,699	635,388	710,421	5.2%	6.5%				(66,020)	(143,000)
Total – Plano	**20,491,983**	**1,113,692**	**1,206,185**	**5.2%**	**5.9%**	**156,640**	**111,105**	**785,174**	**32,980**	**(146,000)**
Redbird Airport										
Flex/High-Tech	861,693	16,958	16,958	1.9%	2.0%				(10,000)	(1,000)
Manufacturing	3,763,675	22,949	22,949	0.6%	0.6%				65,000	0
Warehouse/Distribution	14,490,152	850,669	855,669	8.2%	5.9%	1,132,394			(21,000)	328,000
Total – Redbird Airport	**19,115,520**	**890,576**	**895,576**	**6.4%**	**4.7%**	**1,132,394**	**560,935**	**447,468**	**34,000**	**327,000**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

See following pages for additional Dallas-Fort Worth industrial indicators.

DALLAS-FORT WORTH INDUSTRIAL MARKET

FIRST QUARTER 2016

Dallas Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
Richardson										
Flex/High-Tech	9,892,217	1,091,677	1,138,866	12.1%	11.5%				328,000	55,000
Manufacturing	4,937,628	0	0	0.1%	0.0%				-	6,000
Warehouse/Distribution	4,008,220	162,423	162,423	5.4%	4.1%				9,000	53,000
Total – Richardson	**18,838,065**	**1,254,100**	**1,301,289**	**7.5%**	**6.9%**	**0**	**172,992**	**18,445**	**337,000**	**114,000**
Rockwall/Forney/Terrell										
Flex/High-Tech	893,431	14,600	14,600	1.8%	1.6%				(6,000)	2,000
Manufacturing	1,762,907	29,280	29,280	1.7%	1.7%	175,000			100,000	0
Warehouse/Distribution	8,716,507	136,650	136,650	2.4%	1.6%				41,000	74,000
Total – Rockwall/Forney/Terrell	**11,372,845**	**180,530**	**180,530**	**2.3%**	**1.6%**	**175,000**	**(145,046)**	**271,430**	**135,000**	**76,000**
SE Dallas/I-45										
Flex/High-Tech	1,252,367	16,064	48,464	3.9%	3.9%				17,000	0
Manufacturing	1,892,657	142,320	142,320	0.0%	7.5%				-	(142,000)
Warehouse/Distribution	23,341,829	1,934,912	1,934,912	7.1%	8.3%	5,003,816			1,797,726	710,000
Total – SE Dallas/I-45	**26,486,853**	**2,093,296**	**2,125,696**	**6.4%**	**8.0%**	**5,003,816**	**230,008**	**1,345,889**	**1,814,726**	**568,000**
SW Dallas/US 67										
Flex/High-Tech	1,853,795	41,621	41,621	2.4%	2.2%				(5,000)	3,000
Manufacturing	6,208,190	2,000	2,000	0.0%	0.0%				(2,000)	0
Warehouse/Distribution	17,984,317	3,499,803	3,499,803	18.9%	19.5%	1,116,622			680,000	(99,000)
Total – SW Dallas/US 67	**26,046,302**	**3,543,424**	**3,543,424**	**13.2%**	**13.6%**	**1,116,622**	**2,095,817**	**(603,353)**	**673,000**	**(96,000)**
TOTAL – Dallas	**519,791,967**	**35,858,189**	**36,662,259**	**7.0%**	**7.1%**	**11,301,053**	**5,625,582**	**10,484,831**	**12,885,893**	**1,725,000**

Fort Worth Industrial Market Indicators

SUBMARKET	Q3 2015 INVENTORY	Q4 2015 DIRECT VACANCY AVAILABLE	Q4 2015 TOTAL SF AVAILABLE	2014 TOTAL AVAILABLE	Q42015 TOTAL AVAILABLE	Q4 2015 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	2015 YTD NET ABSORPTION
Arlington/Mansfield										
Flex/High-Tech	3,829,653	409,689	409,689	9.8%	10.7%				457,000	(35,000)
Manufacturing	989,589	21,980	21,980	2.2%	2.2%	23,492			(22,000)	0
Warehouse/Distribution	18,717,485	440,303	576,762	3.6%	3.1%	1,821,961			46,000	98,000
Total – Arlington/Mansfield	**23,536,727**	**871,972**	**1,008,431**	**4.5%**	**4.3%**	**1,845,453**	**979,797**	**432,864**	**481,000**	**63,000**
East Fort Worth										
Flex/High-Tech	5,013,656	184,918	184,918	4.6%	3.7%				(49,000)	46,000
Manufacturing	1,192,088	82,587	82,587	0.8%	6.9%				32,000	(73,000)
Warehouse/Distribution	18,788,807	1,063,507	1,081,183	6.5%	5.8%				48,000	149,000
Total – E Fort Worth	**24,994,551**	**1,331,012**	**1,348,688**	**5.8%**	**5.4%**	**0**	**40,923**	**145,515**	**31,000**	**122,000**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

See following pages for additional Dallas-Fort Worth industrial indicators.

Fort Worth Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
Lower Great Southwest										
Flex/High-Tech	3,406,785	323,013	323,013	10.3%	9.5%				(153,000)	29,000
Manufacturing	6,720,518	204,116	204,116	3.0%	3.0%				-	0
Warehouse/Distribution	25,227,053	1,063,507	1,081,183	4.2%	4.3%	775,094			996,000	311,000
Total – Lower Great SW	**35,354,356**	**1,590,636**	**1,608,312**	**4.6%**	**4.5%**	**775,094**	**1,154,484**	**1,936,741**	**843,000**	**340,000**
Meacham/Fossil Creek										
Flex/High-Tech	2,561,677	257,276	260,276	9.3%	10.2%				473,000	(23,000)
Manufacturing	2,697,385	105,500	105,500	4.9%	3.9%				-	322,000
Warehouse/Distribution	31,001,737	1,925,465	1,946,065	5.0%	6.3%	2,569,599			(38,000)	50,000
Total – Meacham/Fossil Crk	**36,260,799**	**2,288,241**	**2,311,841**	**5.3%**	**6.4%**	**2,569,599**	**192,289**	**296,119**	**435,000**	**349,000**
N Central Fort Worth										
Flex/High-Tech	2,098,605	78,565	83,565	4.2%	4.0%				19,000	5,000
Manufacturing	671,246	0	0	0.0%	0.0%				-	0
Warehouse/Distribution	9,278,827	444,957	444,957	4.4%	4.8%				(19,000)	(35,000)
Total – N Central Fort Worth	**12,048,678**	**523,522**	**528,522**	**4.1%**	**4.4%**	**0**	**(242,837)**	**(17,072)**	**-**	**(30,000)**
NE Tarrant/Alliance										
Flex/High-Tech	2,553,508	14,550	14,550	0.4%	0.6%	250,000			101,000	(4,000)
Manufacturing	475,379	0	0	0.0%	0.0%	539,448			-	0
Warehouse/Distribution	32,989,513	4,283,620	4,283,620	16.4%	13.0%	2,035,308			1,293,000	1,135,000
Total – NE Tarrant/Alliance	**36,018,400**	**4,298,170**	**4,298,170**	**15.1%**	**11.9%**	**2,824,756**	**1,585,735**	**1,457,827**	**1,394,000**	**1,131,000**
S Central Fort Worth										
Flex/High-Tech	2,429,477	139,028	139,028	5.6%	5.7%				(17,000)	(3,000)
Manufacturing	929,879	90,000	90,000	0.0%	9.7%				6,000	(90,000)
Warehouse/Distribution	8,916,298	155,844	155,844	2.1%	1.7%				346,000	31,000
Total – S Central Fort Worth	**12,275,654**	**384,872**	**384,872**	**2.6%**	**3.1%**	**0**	**(312,512)**	**603,316**	**335,000**	**(62,000)**
South Tarrant County										
Flex/High-Tech	2,560,531	94,496	94,496	6.7%	3.7%				(7,000)	76,000
Manufacturing	6,115,942	243,097	243,097	4.6%	4.0%				258,000	37,000
Warehouse/Distribution	15,325,522	809,597	809,597	5.6%	5.3%				(28,000)	43,000
Total – S Tarrant County	**24,001,995**	**1,147,190**	**1,147,190**	**5.4%**	**4.8%**	**0**	**(129,036)**	**993,277**	**223,000**	**156,000**
Upper Great Southwest										
Flex/High-Tech	4,295,920	581,204	600,164	13.4%	14.0%				68,000	11,000
Manufacturing	1,157,352	150,000	150,000	22.1%	13.0%	205,550			(106,000)	106,000
Warehouse/Distribution	39,552,885	1,459,029	1,480,900	4.2%	3.7%	4,317,863			1,335,000	533,000
Total – Upper Great SW	**45,006,157**	**2,190,233**	**2,231,064**	**5.6%**	**5.0%**	**4,523,413**	**883,800**	**499,087**	**1,297,000**	**650,000**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

See next page for additional Dallas-Fort Worth industrial indicators.

DALLAS-FORT WORTH INDUSTRIAL MARKET

FIRST QUARTER 2016

Fort Worth Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
West DFW Airport										
Flex/High-Tech	**2,782,308**	**214,691**	**214,691**	**9.4%**	**7.7%**				**(13,000)**	**48,000**
Manufacturing	2,131,312	0	0	0.0%	0.0%				-	0
Warehouse/Distribution	14,677,305	1,259,714	1,264,014	7.1%	8.6%				(25,428)	(222,000)
Total – West DFW Airport	**19,590,925**	**1,474,405**	**1,478,705**	**6.7%**	**7.5%**	**0**	**643,720**	**98,901**	**(38,428)**	**(174,000)**
West Tarrant County										
Flex/High-Tech	351,443	3,750	3,750	0.0%	1.1%				-	(4,000)
Manufacturing	1,619,265	0	0	0.0%	0.0%				-	0
Warehouse/Distribution	2,367,232	21,700	21,700	1.6%	0.9%				74,000	17,000
Total – W Tarrant County	**4,337,940**	**25,450**	**25,450**	**0.9%**	**0.6%**	**0**	**10,444**	**109,182**	**74,000**	**13,000**
TOTAL – Fort Worth	**273,426,182**	**16,125,703**	**16,371,245**	**6.4%**	**6.0%**	**12,538,315**	**4,806,807**	**6,555,757**	**5,549,572**	**2,558,000**

DFW Metro Industrial Market Indicators

SUBMARKET	Q1 2016 INVENTORY	Q1 2016 DIRECT VACANCY AVAILABLE	Q1 2016 TOTAL SF AVAILABLE	2015 TOTAL AVAILABLE	Q1 2016 TOTAL AVAILABLE	Q1 2016 UNDER CONSTRUCTION	2013 NET ABSORPTION	2014 NET ABSORPTION	2015 NET ABSORPTION	Q1 2016 NET ABSORPTION
Dallas										
Flex/High-Tech	99,825,686	8,080,368	8,191,041	8.0%	8.2%	179,515			1,550,000	(135,000)
Manufacturing	52,398,527	6,128,455	6,128,455	11.3%	11.7%	341,955			1,132,000	(205,000)
Warehouse/Distribution	367,567,754	21,649,366	22,342,763	6.1%	6.1%	10,779,583			10,203,893	2,065,000
Total – Dallas	**519,791,967**	**35,858,189**	**36,662,259**	**7.0%**	**7.1%**	**11,301,053**	**5,625,582**	**10,484,831**	**12,885,893**	**1,725,000**
Fort Worth										
Flex/High-Tech	31,883,563	2,301,180	2,328,140	7.6%	7.3%	250,000			879,000	146,000
Manufacturing	24,699,955	897,280	897,280	3.6%	3.6%	768,490			168,000	302,000
Warehouse/Distribution	216,842,664	12,927,243	13,145,825	6.5%	6.1%	11,519,825			4,502,572	2,110,000
Total – Fort Worth	**273,426,182**	**16,125,703**	**16,371,245**	**6.4%**	**6.0%**	**12,538,315**	**4,806,807**	**6,555,757**	**5,549,572**	**2,558,000**
DFW Metroplex										
Flex/High-Tech	131,709,249	10,381,548	10,519,181	7.9%	8.0%	429,515			2,429,000	11,000
Manufacturing	77,098,482	7,025,735	7,025,735	8.9%	9.1%	1,110,445			1,300,000	97,000
Warehouse/Distribution	584,410,418	34,576,609	35,488,588	6.3%	6.1%	22,299,408			14,706,465	4,175,000
Total – DFW Metroplex	**793,218,149**	**51,983,892**	**53,033,504**	**6.8%**	**6.7%**	**23,839,368**	**10,432,389**	**17,040,588**	**18,435,465**	**4,283,000**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

METHODOLOGY

The information in this report is the result of a compilation of information on office and industrial properties located in the Dallas-Fort Worth metropolitan area. This report includes single-tenant, multi-tenant and owner-user office properties, excluding properties owned and occupied by a government agency.

RESEARCH CONTACT

Kelsey Nixon
Analyst Delta Associates
972.774.2534
kelsey.nixon@deltaassociates.com

David Versel
Senior Vice President, Delta Associates
202.778.3110
david.versel@deltaassociates.com

DELTA ASSOCIATES
A Transwestern Company

TRANSWESTERN®

5001 Spring Valley Road, Suite 400W ▪ Dallas, Texas 75244
972.774.2500 ▪ transwestern.com/dallas

777 Main Street, Suite 1100 ▪ Fort Worth, Texas 76102
817.877.4433 ▪ transwestern.com/fortworth